



**Australian Government**  
**Department of Foreign Affairs and Trade**



# **WATER FOR WOMEN**

## **Investment Design Document**

### **Volume 1**

**July 2017**

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## Acronyms

AWP	Australian Water Partnership
CCA	Climate change adaptation
CLTS	Community-led total sanitation
CS WASH Fund	Civil Society WASH Fund
CSO	Civil Society Organisation
DFAT	Department of Foreign Affairs and Trade
DFID	UK Department for International Development
DPO	Disabled People's Organisations
DRR	Disaster risk reduction
FSG	Fund Steering Group
FSM	Faecal sludge management
GESI	Gender Equality and Social Inclusion or Gender Equity and Social Inclusion
GSI	Gender and Social Inclusion
GSIS	Gender and Social Inclusion Specialist
HLPW	High Level Panel on Water
IWRM	Integrated water resource management
JMP	Joint Monitoring Program (of WHO and UNICEF on WASH)
K&L	Knowledge and Learning
KALM	Knowledge and Learning Manager
M&E	Monitoring and Evaluation
MDG	Millennium Development Goals
MERP	Monitoring, Evaluation and Review Panel
MHM	Menstrual hygiene management
NGO	Non-Government Organisation
ODE	Office of Development Effectiveness in DFAT
PDD	Project Design Document
SDG	Sustainable Development Goals
SOGIE	Sexual Orientation and Gender Identity & Expression
SWA	Sanitation and Water for All
TOR	Terms of Reference
ToC	Theory of change
UNICEF	United Nations Children's Fund
WfW	Water for Women
WASH	Water, Sanitation and Hygiene
WHO	World Health Organization
WRG	WASH Reference Group
WSP	World Bank Water and Sanitation Program
WSSCC	Water Supply and Sanitation Collaborative Council

## Glossary

Term	Definition for the purpose of this Fund
Change Agents	The terminology of ‘change agents’ was established during CS WASH Fund to succinctly cover the breadth of different actors and partners with whom a CSO engages in the WASH sector. Change agents can include government, private sector and civil society actors, including either groups or individuals. These actors are sometimes called ‘boundary partners’ in other M&E terminology.
Displacement	Physical or economic displacement and may occur as a result of development activities such as the building of economic or social infrastructure.
Fund	A mechanism for providing grants for CSOs to implement multiple individually-designed and implemented aid projects which are related in various ways.
Gender and social inclusion	Language related to the concepts ‘gender and social inclusion’, although commonly used in the development sector, has been understood and applied in various ways. Within this Fund, gender and social inclusion refer to the inclusion of any social variables, which may result in marginalisation from decision-making around, or access to the use of WASH facilities within the chosen context. As this is the Water for Women Fund, this particularly refers to gender, but may also include age, ability or impairment, ethnicity, religion, indigeneity, sexual orientation and gender identity (SOGIE) and so on.
Gender equality	The state of equal access to resources, right and opportunities for men and women and people of diverse sexual orientation and gender identity (SOGIE).
Gender equity	Refers to the processes by which gender equality may be achieved: gender mainstreaming for example is a gender equity strategy.
Mainstreaming	A process of considering where difference on the basis of gender or other social factors is significant, and promoting and supporting more equitable approaches.
Safely managed sanitation	As per definition in Goal 6 of SDGs: Use of a basic sanitation facility at the household level which is not shared with other households and where excreta is safely disposed in situ or treated off-site.
Safely managed water	As per definition in Goal 6 of SDGs: Use of a basic drinking water source (‘improved’ sources of drinking water used for MDG monitoring) which is located on premises and available when needed and free of faecal (and priority chemical) contamination.
Socially inclusive or inclusive	Refers to the concept of seeking the participation of all persons in any setting, regardless of gender, age, ability or impairment, ethnicity, religion, indigeneity, SOGIE and so on.
SOGIE	SOGIE is the inclusive interpretation of LGBTQI, referring to people not by a specific label but recognising their diverse sexual orientation and gender identity & expression (SOGIE)
Theory of Change	A comprehensive description and illustration of how and why a desired change is understood or expected to happen in a particular context, based on analysis of the context, agreement among stakeholders about what is prioritised and beliefs about links between different processes or events. Includes strategies that will be undertaken by aid project/program to facilitate or support the change.
Water security	The capacity of a population to safeguard sustainable access to adequate quantities of acceptable quality water. In particular, for sustaining livelihoods, human well-being, and socio-economic development, for ensuring protection against water-borne pollution and water-related disasters, and for preserving ecosystems in a climate of peace and political stability. See United Nations (2013) Water Security: <a href="http://www.unwater.org/topics/water-security/en/">http://www.unwater.org/topics/water-security/en/</a>



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The design team is grateful to the many people who have contributed to the design process for Water for Women. In particular, the representatives of organisations which have received funding under the current Civil Society Water, Sanitation and Hygiene Fund (the CS WASH Fund), the current contractor for managing the CS WASH Fund and the Monitoring Evaluation and Review Panel (MERP) were generous with their feedback and advice, based on their experience and understanding of contemporary issues in this sector. Members of the Australian WASH Reference Group (WRG), a network of WASH specialists and representatives of organisations working on WASH programs, also shared their views, including through a nominated team of three, David Shaw, Gabrielle Halcrow and Regina Souter. We are also grateful to other stakeholders with expertise in research, programming and gender and social inclusion related to WASH, who were consulted on various aspects of this design.

The WSH Section in DFAT, particularly Marcus Howard, Gerard Cheong and Robyne Leven, played a key role in supporting the design process and contributing experience and expertise. Other officials from relevant sections of DFAT were also included in consultations.

The design team would like to note that the process of developing this design, while highly consultative, required decisions to be made that could not satisfy all interested stakeholders. The design team sought to find an appropriate balance between building on the existing CS WASH Fund and developing a new Fund, incorporating new ideas and approaches and changing some emphases to reflect contemporary approaches to development effectiveness. The design process was intense and many aspects were contested so this design document is the result of considerable discussion and negotiation. The design team has sought to develop a framework to support the implementation of the Fund and encourages those involved in implementation to make any adjustments collaboratively over the five-year timeframe to respond to emerging information, changes in the environment and new evidence about effectiveness.

A list of people consulted during development of the Water for Women design is in Annex 16.



## B. Executive Summary

Water for Women (the Fund) was announced by the Prime Minister of Australia in September 2016 at the High Level Panel on Water (HLPW). The announcement recognised the critical role that improvements to WASH play in addressing poverty and contributing to economic and human development. In particular, the Fund responds to increasing evidence that gendered approaches to WASH programming contribute both to more effective and sustainable WASH outcomes, as well as offer an entry point to improve gender equality and women's well-being, voice, leadership and economic empowerment. The use of explicit gender and socially inclusive approaches in the Australian Government's commitment to this Fund is regarded globally and in the WASH sector as progressive, innovative and an important contribution to economic and social development in the region. The Fund is a flagship program in Australia's engagement in WASH and reflects high priority policy commitments in the Australian aid program.

The Fund draws on lessons from a current program, the Civil Society WASH Fund (the CS WASH Fund), which began in 2013 and has included 29 projects implemented in 19 countries by 13 civil society organisations (CSOs)<sup>1</sup> in partnership with a range of international and national organisations including governments. The CS WASH Fund has generated a great deal of evidence about good practice approaches to WASH in diverse contexts, which includes specific approaches to gender and social inclusion.

The goal of the Water for Women Fund is '**Improved health, gender equality and well-being of Asian and Pacific communities through inclusive, sustainable WASH**'. Contributions will be made to the goal through four end of program outcomes:

- Strengthened national and subnational WASH sector systems with greater emphasis on gender, social inclusion, safely managed WASH and water security
- Increased equitable, universal access to and use of sustainable WASH services, particularly for marginalised communities and community members
- Strengthened gender equality and social inclusion in households, communities and institutions
- Strengthened use of new evidence, innovation and practice in sustainable gender and inclusive WASH by other CSOs, national and international WASH sector actors

Intermediate outcomes, which are expected to contribute to the above Fund outcomes are:

- Increased capacity and agency of governments, private sector, community-based organisations and communities, in planning, investing and delivering sustainable, inclusive WASH services
- Greater integration of gender and socially inclusive approaches by governments, private sector, community-based organisations and communities
- Documentation and sharing of gender and socially inclusive evidence and effective practices with other CSOs, national and international sector actors

The Fund is well-aligned to DFAT's interests and policies. Firstly, in taking gender equality and social inclusion as central, and addressing a critical sector for women and girls. Secondly, the anticipated contribution to public diplomacy in relevant countries and regions is significant through sharing

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<sup>1</sup> See Annex 7 for a list of projects, CSOs, partners and countries as well as analysis of strengths and areas for improvement.

tangible changes in lives and institutions, as well as increasing DFAT's profile in the global water sector through knowledge sharing and leadership. Innovation is addressed in the practice of CSOs to catalyse and leverage change and take a fully integrated gender and inclusive approach to their work, and within the research component. Lastly, private sector engagement is integrated into the design as a key partner, along with government and other CSOs, with whom funded CSOs are expected to work. The Fund has a budget of \$100 million with an additional allocation of \$10.6 million for complementary sector-related research activities. Grants for CSOs are expected to be in the region of \$2.5 million to \$10 million, depending on scope, CSO capacity, regional coverage and other selection criteria.

The five-year timeframe for the Fund is expected to maximise the achievement of sustainable results. Fund preparation will commence following approval of the design and formal financial approval in mid-2017, with the CSO, research and Fund Coordinator selection processes,<sup>2</sup> followed by a 3-6-month Inception Phase (to account for diversity of CSOs and contexts) for CSOs to develop detailed plans with their respective partners based on thorough context analysis, which is gender and socially inclusive. The Fund is expected to cease in December 2022.

The Fund will encourage CSOs to both address the ambitious new targets of the Sustainable Development Goals for universal access to 'safely managed' WASH<sup>3</sup> as well as take cross-sectoral perspectives to gender and socially inclusive WASH programming. Fund projects will also reflect the interconnectedness of WASH with critical development issues such as water resources management (WRM), water security and climate change adaptation (CCA), disaster risk reduction (DRR) and nutrition. In particular, the Fund will support CSOs to analyse the situation of particular groups of people or individuals who may have less voice in decision-making and access to WASH services because of various geographical, political, cultural, economic or other factors, in order to maximise inclusion. The Fund will also consider different priorities, who benefits economically from relevant employment opportunities and how services affect safety, security and violence. The Fund's emphasis on gender and social inclusion highlights the specific priority given to inclusive approaches in global commitments, and research on the connection between inclusive WASH approaches and wider benefits for gender equality and social inclusion. Given Australia's leadership on disability inclusive development, the Fund explicitly incorporates disability inclusive approaches at all levels.

In addition to using gender and socially inclusive approaches to WASH projects, CSOs will be expected to apply contemporary developmental approaches, including: taking account of complexity (of influences, processes, history, geography, leadership and power etc.) in each project context; building on existing evidence, knowledge and practice; political economy analysis and supporting improved governance; understanding the connection between cultural values and norms and the scope for sustainable change in each context; using evidence-based, adaptive and iterative approaches to implementation (adapting plans and continually reflecting on ways to improve approaches); and contributing to shared learning about effective practices, beyond their CSO. CSOs will be expected to contribute to program-wide reporting, maintain good quality project management systems and retain high quality personnel.

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<sup>2</sup> Led by DFAT WSH and the CSO and research selection will be supported by an external consultancy

<sup>3</sup> 'Safely managed' refers to a significantly higher level of water and sanitation services than stipulated in the Millennium Development Goals targets, including water quality and reliability and safe treatment and disposal in sanitation

Different approaches to Fund governance and delivery will be used in the Fund compared with the CS WASH Fund. These changes follow the recommendations made in the Office of Development Effectiveness' (ODE) recent evaluation of the CS WASH Fund management arrangements.<sup>4</sup> They include outsourcing grant management, which is expected to support DFAT to play a more strategic oversight role and reduce administrative burden. The increased application of partnership approaches will maximise the benefits of diverse specialists being involved in influencing strategic elements of the Fund as well as harness the knowledge and experience that CSOs can bring to sustainable and inclusive development practice.

A Fund Steering Group (FSG) will provide regular opportunities to strengthen partnerships and for senior representatives of each of the implementing parties to collectively consider strategic issues about the Fund's progress, learning and results and to advise DFAT. This is also in line with ODE's recommendation that a consultative group be formed.

Grant management and overall Fund management and administration will be undertaken by a contracted specialist program management team, described as 'Fund Coordinator'. The Fund Coordinator will develop and coordinate Fund-wide processes and systems to maximise quality, support knowledge and learning across the Fund (on WASH, on gender and inclusive approaches in WASH and on gender transformative and social inclusion impacts of the Fund beyond WASH), support public diplomacy efforts and to ensure accountability and compliance with DFAT requirements.

To do this, the Fund Coordinator will provide various functions. These will include: monitoring and evaluation (M&E) services to synthesise information generated by CSOs for overall Fund-level reporting and learning; technical skills in GESI and WASH; secretariat support for the FSG; leadership of a Knowledge and Learning (K&L) component; public diplomacy and external communications; and grant management for CSOs and research organisations

A key delivery approach is the promotion of reflective, collaborative and learning-oriented effort, through partnerships and other alliances, both among Fund-supported CSOs and between CSOs, private sector and government agencies as well as Australian and international research teams. This will be largely achieved through the K&L component to promote cross-CSO learning and exchange knowledge. CSOs will also be encouraged to provide peer support to each other, including during the design process (peer appraisals) and implementation.

The Fund K&L component will contribute quality of CSO implementation and evidence-based practice as well as external profile and public diplomacy opportunities, and will be led by a dedicated team member: the Fund Coordinator Knowledge and Learning Manager (KALM). The component will include regional learning events, Innovation and Impact grants (I&I grants) to promote innovation in CSO implementation, a website and associated communications. This K&L component will include both an internal focus (to facilitate uptake and learning by Fund CSOs), as well as an external focus, to share Fund-generated evidence, practice and knowledge to a wider audience of CSOs and national and international WASH stakeholders. The KALM will interlink closely with other Fund Coordinator team members, particularly the M&E specialist as well as the GESI and WASH specialists.

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<sup>4</sup> DFAT (2016) Evaluation of the management arrangements of the CS WASH Fund. Office for Development Effectiveness. <http://dfat.gov.au/aid/how-we-measure-performance/ode/Documents/evaluation-of-the-management-arrangements-of-civil-society-water-sanitation-hygiene-fund.pdf>

The Research Component will comprise grants (WASH Research Awards) to research organisations. These grants include two types, both of which would use gender and inclusive processes: (i) broader, longer-term WASH research addressing key knowledge gaps in Asian and Pacific regions; and (ii) research closely linked to CSO implementation in the Fund. Grants will be managed by the Fund Coordinator with strategic oversight through a Research Steering Group, and will contribute to the wider K&L activities of the Fund.

As the Fund continues several elements of the CS WASH Fund, many risks associated with this approach are well understood. Risk mitigation strategies have been included throughout the design (Annex 11). The revised Fund governance and management approaches will strengthen the ability of the Fund to address risks. The shift to an enhanced partnership approach will mitigate risks associated with implementation by multiple organisations.

Fund management costs are comparable to those for the CS WASH Fund despite the Fund Coordinator taking on greater responsibilities including directly holding grant agreements with CSOs. The continuing emphasis on knowledge and learning is essential to maximise effectiveness and build efficiencies in each project under the Fund as well as bolstering public diplomacy and supporting considered approaches to innovation. These benefits are well documented in the CS WASH Fund and build an overall picture of a cost-effective program.

The design team identified a high level of interest in the Fund across CSOs, researchers and other global WASH stakeholders. This confirmed that Water for Women is an important aid activity with the potential to contribute substantially to gender and socially inclusive WASH outcomes in Asian and Pacific countries and related evidence of effective gender transformative approaches to share more broadly. Australia is in a position to extend its high profile in the sector, both globally and in the Asian and Pacific regions. As DFAT will work collaboratively with a range of CSOs that can navigate complex and diverse WASH contexts at national and subnational levels, there is considerable scope for sustained mutual benefits for all those involved.

## C. Analysis and Context

### 1. Global and regional context

Globally, water and sanitation is recognised as critical for human and economic development. Reflecting its importance, in April 2016 the United Nations convened a High Level Panel on Water (HLPW), consisting of 11 heads of state, including Prime Minister Turnbull.<sup>5</sup> The HLPW's action plan recognises water as the foundation of sustainable development, essential to many other development goals, including gender equality, due to women's primary roles in water collection, use and sanitation and hygiene and the opportunity WASH offers to progress women's well-being, voice, leadership and economic empowerment. As part of Australia's contribution to the HLPW agenda, Water for Women will contribute to a major gap in practice, innovation and evidence at the intersection of water, sanitation and hygiene (WASH) and gender and social inclusion.<sup>6</sup> This is a tangible example of Australia's global leadership role in WASH. In addition, Section 2 below outlines the economic and other benefits arising from our investments in WASH which clearly serve Australia's national interest by contributing to sustainable economic growth and reducing poverty.

WASH has many impacts on health and well-being, including nutrition. Diseases associated with unsafe water or poor sanitation include diarrhoea, cholera, typhoid, hepatitis, and dysentery, and more than 1.5 million children around the world die each year as a result of diarrhoea.<sup>7</sup> There are significant links with under-nutrition,<sup>8</sup> as well as health security, since poor hygiene exacerbates threats such as Ebola and other diseases.<sup>9</sup> The annual economic costs have been estimated to be US\$260 billion, and the global economic return is \$4.3 per US dollar invested, due to reduced health care costs, increased productivity and opportunity for growth of new industries.<sup>10</sup> Providing access to water and sanitation is documented to increase girls' attendance at school<sup>11</sup> and women's time use for productive and reproductive tasks,<sup>12</sup> amongst other benefits.

Australia's development priorities are well aligned with the 2030 Agenda for Sustainable Development that explicitly calls on countries to implement the Human Rights to Water and Sanitation, as it is widely acknowledged that there are major inequalities in current access. Investments to date have achieved major progress and the Millennium Development Goals (MDG) target for water was met, with 2.6 billion people gaining access since 1990. However, this still left 663 million people without access to clean water. The MDG target for sanitation was not met, with 2.4 billion people without access to adequate sanitation, and open defecation in rural areas globally as high as 25%.<sup>13</sup>

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<sup>5</sup> See <http://www.un.org/apps/news/story.asp?NewsID=53747#.WL3e6jt97BU>

<sup>6</sup> See Grant, M., Huggett, C., Willetts, J., (2016) Gender and SDG 6: the Critical Connection – A Framing Paper for the High-Level Panel on Water <https://waterpartnership.org.au/wp-content/uploads/2016/08/HLPW-Gender-SDG6.pdf>

<sup>7</sup> WHO/UNICEF, 2009, Diarrhoea: Why children are still dying and what can be done, Geneva

<sup>8</sup> See Checkley W, Buckley G, Gilman RH, Assis AM, Guerrant RL, Morris SS et al. (2008) Multi-country analysis of the effects of diarrhoea on childhood stunting. *Int.J.Epidemiol* 37: 816-30

<sup>9</sup> UN Water 2014 GLAAS [http://www.who.int/water\\_sanitation\\_health/glaas/en/](http://www.who.int/water_sanitation_health/glaas/en/)

<sup>10</sup> WHO, 2012, Global costs and benefits of drinking-water supply and sanitation interventions to reach the MDG target and universal coverage, [http://www.who.int/water\\_sanitation\\_health/publications/2012/globalcosts.pdf](http://www.who.int/water_sanitation_health/publications/2012/globalcosts.pdf)

<sup>11</sup> Jasper, C., Le, T.-T., & Bartram, J. (2012). Water and Sanitation in Schools: A Systematic Review of the Health and Educational Outcomes. *International Journal of Environmental Research and Public Health*, 9(8), 2772–2787.

<sup>12</sup> UNICEF and the WHO (2011) Drinking Water Equity, Safety and Sustainability: Thematic report on drinking water – 2011, [http://www.wssinfo.org/fileadmin/user\\_upload/resources/report\\_wash\\_low.pdf](http://www.wssinfo.org/fileadmin/user_upload/resources/report_wash_low.pdf)

<sup>13</sup> Page 14 JMP 2015 [https://www.wssinfo.org/fileadmin/user\\_upload/resources/JMP-Update-report-2015\\_English.pdf](https://www.wssinfo.org/fileadmin/user_upload/resources/JMP-Update-report-2015_English.pdf)

In 2015 the Sustainable Development Goals (SDGs) took the place of the MDGs in guiding efforts to ensure universal access. The new SDG targets include: ‘by 2030, achieve universal and equitable access to safe and affordable drinking water for all’ (Target 6.1) and ‘by 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations’ (Target 6.2). These targets set higher standards than the MDGs in terms of achieving universal access (not just halving the proportion of people without access) and in achieving safe and affordable water and safely managed sanitation.

Large numbers of people do not have access to these basic services in the Asia-Pacific region, evident through global monitoring by the WHO/UNICEF Joint Monitoring Program (JMP). In South-East Asia in 2015, almost 60 million people (11.2% of population) were without access to improved water and 170 million people (32.2% of population) were without access to improved sanitation facilities. In South Asia in 2015 there were 116 million people without access to water (6.9% of population) and 923 million people (54.9%) without access to improved sanitation. In the Pacific, 4.8 million people (48.8% of population) do not have access to improved water and 6.9 million people (70.2% of population) do not have access to sanitation.<sup>14</sup>

The situation is worse for lower wealth quintiles. For example, in Indonesia, the proportion of people without access to water amongst the rural population overall is 20.5%, whereas for the lowest wealth quintile it is 49.0%, and almost two thirds of those people without access to water (across both rural and urban contexts) are in the lowest wealth quintile.<sup>15</sup> Recent research also shows the high costs of sanitation facilities in remote rural areas, where higher levels of poverty are found.<sup>16</sup>

It is well-recognised that sustained services rely on functioning sector systems and institutions, as well as leadership and political will. Global monitoring reveals key bottlenecks globally, regionally and at a country level.<sup>17</sup> Whilst two-thirds of countries recognise water and sanitation as human rights and most have national policies, the majority lack national targets and few countries have plans that are implemented. Even fewer apply financial measures to reduce disparities in access by the poor. Particular issues in the region, for instance South East Asia, include gaps in sector monitoring such that investment decisions are not evidence-based, inadequate skilled human resources, and major financing gaps between budgets and plans.<sup>18</sup>

## 2. WASH in the Australian Aid Program

DFAT WASH investments managed by Canberra sit under the Water for Development portfolio with five outcomes: improved economic productivity and opportunity; progress towards universal and equitable access; women’s empowerment and gender equality; health and nutrition outcomes; and improved water security. The Theory of Change for the Fund (see Section 5) is consistent with the wider portfolio Theory of Change. DFAT WASH investments also clearly support the purpose of Australia’s aid program, which is to promote Australia’s national interests by contributing to sustainable economic growth and poverty reduction with two key development outcomes: strengthening economic growth and poverty reduction.

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<sup>14</sup> JMP 2015 [https://www.wssinfo.org/fileadmin/user\\_upload/resources/JMP-Update-report-2015\\_English.pdf](https://www.wssinfo.org/fileadmin/user_upload/resources/JMP-Update-report-2015_English.pdf)

<sup>15</sup> JMP 2015 [https://www.wssinfo.org/fileadmin/user\\_upload/resources/JMP-Update-report-2015\\_English.pdf](https://www.wssinfo.org/fileadmin/user_upload/resources/JMP-Update-report-2015_English.pdf)

<sup>16</sup> Willetts, J., Gero, A., Susanto, A.A., Sanjaya, M.R., Doan Trieu Thanh, Mohr, S., Murta, J. and Carrard, N. (2015) ‘Sanitation value chains in low density settings in Indonesia and Vietnam, ISF-UTS, [www.enterpriseinwash.info](http://www.enterpriseinwash.info)

<sup>17</sup> UN Water 2014 GLAAS [http://www.who.int/water\\_sanitation\\_health/glaas/en/](http://www.who.int/water_sanitation_health/glaas/en/)

<sup>18</sup> UN Water 2014 GLAAS Investing in water and sanitation: increasing access, reducing inequalities- Highlights for the South-East Asia Region [www.who.int/water\\_sanitation\\_health/resources/glaas-2014-sear-highlights.pdf](http://www.who.int/water_sanitation_health/resources/glaas-2014-sear-highlights.pdf)

Investment in WASH in the aid program increased in 2008 through the Water and Sanitation Initiative (WSI), a \$300 million, 3-year budget measure (2008-2011), through both leadership from DFAT and in part through advocacy from the Australian WASH sector.<sup>19</sup> This funding supported multilateral and bilateral programs, including \$32.5 million to CSOs with a focus on reaching the poorest and most vulnerable, based on research on the effectiveness and absorptive capacity of CSOs.<sup>20</sup>

In 2011 the Australian Government aid policy identified one of its ten objectives as improving public health by increasing access to safe water and sanitation,<sup>21</sup> and a thematic strategy was developed “Saving Lives: Improving Public Health by Increasing Access to Safe Water and Sanitation”. In the 2011-2012 budget, \$266 million was allocated, with \$97 million for a subsequent Civil Society WASH Fund (CS WASH Fund) (2013-2018) and \$6.2 million for competitive research grants. The research activities have provided evidence to inform policy and practice in relevant countries.<sup>22</sup>

In the current Australian Aid Strategic Framework,<sup>23</sup> providing access to water and sanitation is a priority under three of six pillars. It is a key objective of the Health Strategy (2015-2020).<sup>24</sup> The Economic Infrastructure Strategy<sup>25</sup> includes large-scale urban water and sanitation systems. The priority area of Agriculture, Fisheries and Water<sup>26</sup> also promotes improved water resource management, a key enabler for WASH services. Country programs include a variety of WASH activities operating at infrastructural, community development or governance levels.

Bilateral WASH programs are substantial in a number of countries, for example PAMSIMAS in Indonesia is being funded for a further phase of support as well as two other programs, the Water and Sanitation Hibah and Infrastructure Grants for Municipal Sanitation. In Vietnam, Aus4Water is currently being designed. BESIK, a rural water supply and sanitation program in Timor-Leste is now integrated into the new Partnership for Human Development Program while WASH programming in the Pacific has included bilateral support for the Solomon Islands Water Authority and a regional program, the Pacific Region Infrastructure Facility.

Since 2011, DFAT has provided sector knowledge, significant financial support and thought leadership in WASH conferences (2011, 2014 and 2016). These have become globally recognised events with strong international participation and are the only fora of this kind in the Asia-Pacific region. DFAT’s investment in multilateral programs has included support for UNICEF for the Joint Monitoring Program, activities in World Health Organization (WHO), the World Bank’s Water and Sanitation Program (WSP) and the Water Supply and Sanitation Collaborative Council (WSSCC). Current initiatives also include the Australian Water Partnership (AWP)<sup>27</sup>, which is active in sharing Australian water sector expertise in developing country contexts.

## 2.1 CS WASH Funds

The achievements of the two CSO-implemented WASH Funds to date have been significant. The first \$32.5m Fund (2009-2011) involved partnerships with 11 CSOs working in poor and remote communities in 21 countries in Asia, Pacific and Africa. This Fund supported 524,000 people with access to improved sanitation and 508,000 people with access to improved water, declared 730 villages ‘open defecation free’, achieved

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<sup>19</sup> WaterAid & World Vision, 2007. Getting the Basics Right: Water and Sanitation in SE Asia and the Pacific.

<sup>20</sup> Willetts et al., 2008. [http://www.watercentre.org/resources/publications/attachments/AusAID\\_investment\\_options.pdf](http://www.watercentre.org/resources/publications/attachments/AusAID_investment_options.pdf)

<sup>21</sup> Commonwealth of Australia, 2011, An Effective Aid Program for Australia, Canberra

<sup>22</sup> See Muirhead 2017 Outcomes and impacts of the ADRAS grants (forthcoming)

<sup>23</sup> <http://dfat.gov.au/about-us/department/Pages/strategic-framework-2015-2019.aspx>

<sup>24</sup> <http://dfat.gov.au/about-us/publications/Pages/health-for-development-strategy-2015-2020.aspx>

<sup>25</sup> <http://dfat.gov.au/about-us/publications/Pages/strategy-for-australias-investments-in-economic-infrastructure.aspx>

<sup>26</sup> <http://dfat.gov.au/about-us/publications/Pages/strategy-for-australias-aid-investments-in-agriculture-fisheries-and-water.aspx>

<sup>27</sup> <https://waterpartnership.org.au/>



improved hygiene practices in 77,000 households and provided WASH facilities in 516 schools. There were also significant outcomes associated with strengthening WASH sector systems, including improvements in governance, policy and voice of the poor, private sector participation and advances in gender equality (47% of WASH committee members were women).

The current \$103 million CS WASH Fund (2013-2018) extended achievements and further emphasised means for CSOs to contribute to strengthening the capacities and performance of key government, private sector and civil society actors. To date, in partnership with 13 CSOs in 19 countries, this Fund has achieved access to sanitation for almost two million people and to drinking water for over 270,000 people. Overall, the Fund is expected to reach up to 3.66 million direct beneficiaries.

The M&E approach to CS WASH has contributed to achievements, including CSO capability. The M&E has been undertaken by a three-member Monitoring, Evaluation and Review Panel (MERP) which developed the performance arrangements, undertakes visits to each project provides feedback to CSOs, analyses and reports on information across the Fund, generating Fund-wide reports for different stakeholder groups.

The emphasis of the current Fund on strengthening sector systems has resulted in multiple achievements while also showing areas needing greater attention. Positive examples include strengthening public-private partnerships for piped water systems in Lao PDR, and assisting with implementation of transparent, competitive licensing approaches in Cambodia. Another example has involved close coordination between a CSO and local government to support district-wide approaches to achieve open defecation free status. Aspects of CSO engagement with scope for improvement are reported to be integration of climate change and DRR into programming, and further efforts to achieve effective hygiene promotion and effective WASH in schools. Annex 7 further describes the CS WASH Fund current achievements and areas for improvement.

Gender and social inclusion is a key performance area in the CS WASH Fund. This was operationalised through an explicit, mandated 'gender and social inclusion plan' developed during the inception phase. Highlights to date include cases where CSOs have used culturally appropriate ways to strengthen women's roles and opportunities. Examples are: developing entrepreneurial skills in women to sell sanitation materials in Indonesia;<sup>28</sup> changing strategies to ensure sanitation sales positions were more favourable for women in Cambodia; and in Pakistan teaming women with brothers and uncles to enable them to promote improved hygiene behaviours in households.<sup>29</sup> In addition, in terms of women's leadership and voice, the Fund has supported large numbers of WASH committees to include strong female representation (1,253 committees with at least 50% female members, and 2,036 committees with women in management or technical roles) and 129 additional WASH-related institutions actively implementing a gender policy. Disability inclusive development achievements have also been made in CS WASH Fund projects, particularly through partnering with specialist organisations and national Disabled People's Organisations (DPOs). Examples of contributions include modifying design of facilities to improve access and providing valued roles for people with disabilities, thus contributing to empowerment.<sup>30</sup> These achievements are recognised, but at the same time it is clear that the synergies between WASH and gender and social inclusion can be further prioritised and operationalised in practice.

The ODE Evaluation of CS WASH Fund management arrangements made the following recommendations:

- the Fund's monitoring and evaluation system should include arrangements which ensure costs can be justified

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<sup>28</sup> <http://www.cswashfund.org/our-work/postcards-from-the-field/1-female-sanitation-entrepreneur-kupang>

<sup>29</sup> Civil Society WASH Fund (2016) M&E Note 9: Gender and Social Inclusion

<sup>30</sup> Civil Society WASH Fund (2016) M&E Note 9: Gender and Social Inclusion

- DFAT WSH should commit its resources to areas where the greatest value at, particularly strategic oversight (including for M&E and reporting), relationships with programs and public diplomacy
- the design team should consider a Fund-specific advisory or consultative group which includes all members of the Fund management team and Fund CSOs
- consistency with the Fund's intent and theory of change should be a heavily weighted selection criterion
- CSO performance in the WASH sector and the current Fund should be explicitly taken into account in the selection process
- selection panel members should have appropriate expertise (in WASH, gender equality and disability inclusiveness and with CSOs).

### 3. Evolution of WASH sector thinking and approaches

The SDGs significantly change the goal-posts for the sector and this demands new thinking and approaches. The SDGs are more ambitious than the MDGs in two ways. Firstly, the SDGs seek to achieve universal coverage, and combined with the Human Rights to Water and Sanitation, are driving an increased emphasis on addressing existing inequalities in access and reaching those who are hardest to reach.<sup>31</sup> Universal means ensuring availability of WASH facilities in all locations, including schools, health care facilities, public places, institutions and workplaces as well as households. This evolution is essential, as for example, 38% of health care facilities from 54 countries do not have an improved water source.<sup>32</sup> Second, the SDGs refer to an increase in the targets for service level, to 'safely managed' water and sanitation, with precise definitions developed by JMP for global use (see Glossary). A key political challenge with the new measures is that progress (what is counted as 'coverage', or 'access') may appear to 'drop' by at least 50% in most countries due to more stringent measures,<sup>33</sup> however in the long-run it is clear that without this higher bar, the sector is unlikely to achieve the promised health benefits.

Alongside these developments, four key trends in the sector have relevance to Australia's contributions to the WASH sector and supporting evidence-based programming by CSOs, as follows.

(i) Commitment to coordinated efforts to strengthen national systems: Over the last decade there has been increasing recognition of the need to build state capacity and work in coordinated ways to develop national and subnational systems. This was recently acknowledged in the four 'behaviours' promoted by the global advocacy partnership, Sanitation and Water for All (SWA). Several emerging approaches are intentionally focused at the subnational level, given that this is often where the mandate to provide services lies.<sup>34</sup> There is also increasing recognition of private sector roles and the need for concurrent state capacity to support and to regulate these roles, as well as ensuring services reach the poor.<sup>35</sup>

(ii) Building explicitly on the human rights to water and sanitation: Building on the Human Right to Water and Sanitation has been led by the UN Special Rapporteur and the 2014 Handbook. The rights bring added focus to non-discrimination and to principles such as 'progressive realisation', which requires governments to act. There is a growing body of evidence and practice surrounding the approach,<sup>36</sup> and an emphasis on a rights-based approach has been taken up by several civil society organisations. Gender as a fundamental human

<sup>31</sup> See JMP Working Group on Equity and Non-discrimination Final Report <https://www.wssinfo.org/post-2015-monitoring/working-groups/equity-and-non-discrimination/>

<sup>32</sup> See WHO 2015 [http://apps.who.int/iris/bitstream/10665/154588/1/9789241508476\\_eng.pdf?ua=1](http://apps.who.int/iris/bitstream/10665/154588/1/9789241508476_eng.pdf?ua=1)

<sup>33</sup> Bruce Gordon, WHO, Keynote presentation, WASH Futures Conference 2016

<sup>34</sup> For instance the work of SNV and also visible in the principles of the recent Agenda for Change initiative

<sup>35</sup> See [www.enterpriseinwash.info](http://www.enterpriseinwash.info), ISF-UTS; Particularly Learning Brief 3: Working with governments

<sup>36</sup> See, for example, <http://www.righttowater.info/resources/>

rights principle is also critical in the context of the intersection between WASH and gender and inclusion. There are some issues associated with use of rights-based languages in different cultural contexts, which need to be kept in mind.

(iii) Revised sub-sectoral priorities and strategies: Amongst the sub-sectors, urban sanitation is now gaining increasing attention and priority, particularly Faecal Sludge Management (FSM) and WASH needs in informal settlements. Within rural sanitation, community-led total sanitation (CLTS) remains a leading approach to achieve behaviour change and has been adapted to multiple contexts. However, it is increasingly recognised that support to the supply and availability of latrines, particularly in remote areas, requires innovation and new financing mechanisms.<sup>37</sup> Sanitation marketing has demonstrated high impacts in particular contexts, including in the current CS WASH Fund. Hygiene behaviour change and behaviour change communication remain challenging areas, and are reported to be neglected, particularly in terms of health budget allocations.<sup>38</sup> Significant work is emerging on menstrual hygiene, particularly in relation to WASH in schools, as well as hygiene within health care facilities, both of which require increased levels of cooperation with education and health ministries respectively. Lastly, in the CS WASH Fund both district-wide approaches and output-based aid mechanisms are demonstrating their value in the context of both rural water services and sanitation.

(iv) Increasing recognition of how political economy and enabling environment dynamics affect WASH systems and outcomes: As the sector has moved from a more technical focus to one concerned with institutions, governance and social dynamics, there is increasing recognition of the importance of power and incentives and how these affect pathways for change. Several sector level political economy analyses have been undertaken, underscoring dimensions such as political will, particularly in relation to sanitation.<sup>39</sup> In addition, recent research on private sector points to the complex dynamics that shape enterprise roles in different country contexts, and if and how outcomes for the poor are achieved.<sup>40</sup> Use of approaches such as output-based aid in Vietnam<sup>41</sup> or 'payment by results' (to district authorities) currently being trialled by DFID<sup>42</sup> explicitly try to address incentives through their focus on rewarding performance rather than supporting 'inputs'.

### 3.1 Cross-sectoral integration in WASH programming

Connections between WASH and other areas of human development are well documented and increasingly understood in aid programming terms. Related areas include: integrated water resource management (IWRM) and broader environmental issues, DRR, climate change adaptation (CCA), nutrition and stunting, and gender and social inclusion. The SDGs also highlight many areas for integration, particularly in the context of SDG 6, which includes wider water management goals, and SDGs 3, 5, 10 and 11. The integration of WASH with gender is analysed in Section 3.2 below and three other key areas of linkage are described below.

Linkages with IWRM and water security: SDG Goal 6 covers both IWRM and improved water quality (through, for example, reducing pollution, and increased water-use efficiency). Water security is a global issue in the context of water scarcity and dwindling groundwater resources<sup>43</sup> with new approaches to risk management

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<sup>37</sup> See [http://www.cswashfund.org/sites/default/files/2016\\_CSWASHFund\\_East\\_Asia\\_Synthesis\\_Report.pdf](http://www.cswashfund.org/sites/default/files/2016_CSWASHFund_East_Asia_Synthesis_Report.pdf)

<sup>38</sup> UN Water 2014 GLAAS [http://www.who.int/water\\_sanitation\\_health/glaas/en/](http://www.who.int/water_sanitation_health/glaas/en/)

<sup>39</sup> See sources such as <https://www.wsp.org/sites/wsp.org/files/publications/WSP-Political-Economy-of-Sanitation.pdf>; <https://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/7797.pdf>; <https://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/7550.pdf>

<sup>40</sup> See Working Papers 2a, 2b and 2c <http://enterpriseinwash.info/research-outputs/>

<sup>41</sup> The work of EMWF under the CS WASH Fund uses this approach

<sup>42</sup> See <https://www.odi.org/sites/odi.org.uk/files/resource-documents/11332.pdf>, page 17

<sup>43</sup> Don Blackmore, 2016, Keynote Presentation, WASH Futures <http://www.watercentre.org/services/events/wash2016>

a leading-edge area of research and practice.<sup>44</sup> WASH practitioners and researchers are calling for holistic, systems-based approaches to WASH programs which recognise the broader interlinkages between WASH and water resource management, water quality, and water security overall.<sup>45</sup>

**Linkages with CCA and DRR:** These topics are particularly important in relation to humanitarian needs and disaster prone areas.<sup>46</sup> WASH infrastructure and services can be compromised during disasters with significant flow on effects for health and wellbeing. DRR interventions are therefore necessary to protect WASH investments. At the same time, it is essential that new vulnerabilities are not introduced, or reinforced, through new or existing WASH services.<sup>47</sup> These issues are particularly important in the Pacific, where climate change is increasing variability in rainfall (leading to drought and flooding), increasing temperatures, and likely higher than average sea-level rise, all of which affect freshwater security.<sup>48</sup> In such contexts, IWRM frameworks are useful to apply to WASH interventions so that environmental limits and capacities are understood and managed holistically. Recent evidence also provides a range of approaches to consider climate change vulnerability and resilience in the context of WASH.<sup>49</sup> Analysis of disaster risk issues and management capacity is needed for each context and should inform specific adaptations suitable for diverse stakeholders, geographical settings and policy frameworks.

**Linkages with nutrition:** Undernutrition is a major barrier to human and economic development in the Asia-Pacific region. WHO estimates that 50% of undernutrition (a major form of malnutrition) is associated with infections caused by unsafe water, poor sanitation and unhygienic practices, including not washing hands with soap.<sup>50</sup> Addressing child undernutrition requires an integrated programming approach that links nutrition and WASH interventions to maximise child development and address the intergenerational impact of poor nutrition.<sup>51</sup> Poor WASH compromises women's health, leading to undernutrition and micronutrient deficiencies, which are closely linked to the health of their children (during pregnancy and when lactating, and in their ability to provide ongoing care).<sup>52</sup> The WHO has identified that integrating WASH into nutrition policies and programmes provides a means to achieve greater health gains and reinforce the benefits of primary prevention.<sup>53</sup> There may also be opportunities to integrate nutrition policies and programs into WASH initiatives for mutual benefit, for example, combining WASH and nutrition behaviour change campaigns. There are many types and levels of integration, and the goals, capacities and enabling environment will help determine the appropriate level of integration.<sup>54</sup>

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<sup>44</sup> See <http://reachwater.org.uk/>

<sup>45</sup> Saunders, S.G., et al (2016) Addressing WASH challenges in Pacific Island Countries: A participatory marketing systems mapping approach to empower informal settlement community action. Habitat International and Carrard, N., and Willetts, J., (2017, in press) Environmentally sustainable WASH? Current discourse, planetary boundaries and future directions. Journal of WASH for Development.

<sup>46</sup> UNISDR (2011) Disaster risk management for health: water, sanitation and hygiene. <https://www.unisdr.org/we/inform/publications/19988>

<sup>47</sup> UNICEF (date unknown) Disaster Risk Reduction and WASH. URL: [www.goo.gl/WgFFZy](http://www.goo.gl/WgFFZy)

<sup>48</sup> Hadwen et al (2015) Review Paper: Putting WASH in the water cycle: climate change, water resources and the future of water, sanitation and hygiene challenges in Pacific Island Countries. Journal of Water, Sanitation and Hygiene for Development. URL: <http://www.watercentre.org/resources/attachments/putting-wash-in-the-water-cycle>

<sup>49</sup> Kohlitz et al (2017, in press) Climate change vulnerability and resilience of water, sanitation, and hygiene services: a theoretical perspective. Journal of Water, Sanitation and Hygiene for Development.

<sup>50</sup> Prüss-Üstün A, Bos R, Gore F, Bartram J. Safer water, better health: costs, benefits and sustainability of interventions to protect and promote health. World Health Organization, Geneva, 2008

<sup>51</sup> WASH Nutrition: A practical guidebook on increasing nutritional impact through integration of WASH and Nutrition programmes.

<sup>52</sup> Save the Children, Burnett and WaterAid (2016) An Integrated Approach: WASH and Nutrition Sensitive Interventions. Paper prepared for the Water for Women Design process.

<sup>53</sup> WHO (2015) Improving nutrition outcomes with better water, sanitation and hygiene: practical solutions for policies and programmes. URL: [http://www.who.int/water\\_sanitation\\_health/publications/washandnutrition/en/](http://www.who.int/water_sanitation_health/publications/washandnutrition/en/)

<sup>54</sup> WHO (2015) Improving nutrition outcomes with better water, sanitation and hygiene: practical solutions for policies and programmes. URL: [http://www.who.int/water\\_sanitation\\_health/publications/washandnutrition/en/](http://www.who.int/water_sanitation_health/publications/washandnutrition/en/)

### 3.2 Links between gender and social inclusion and WASH

In the foreword to the Australian Government's *Gender Equality and Women's Empowerment Strategy*, (2016), Minister Bishop states that '*Australia's Aid Policy, launched in June 2014, establishes gender equality and women's empowerment as a priority for development, and sets an ambitious target requiring that eighty per cent of all Australia's aid, regardless of objectives, perform effectively in promoting gender equality.*'<sup>55</sup>

The three priorities that guide DFAT's work on gender are: enhancing women's voice in decision-making, leadership and peace-building; promoting women's economic empowerment and; ending violence against women and girls. These priorities are closely aligned with the 'strategic gender priorities' that are well understood within the WASH sector such as: women's voice and agency; leadership and participation in decision-making at household level and in communities; freedom from gender based violence and women's economic empowerment. In addition, multiple studies over the last decades demonstrate the potential for WASH to support changes in gender relations and women's empowerment.<sup>56</sup>

At a global level, the intersection of WASH and gender has long been recognised: women's inclusion in water governance was one of the four principles of the Dublin Statement on Water and Sustainable Development in 1992. Principle 3 of this Statement (agreed to at the International Conference on Water and the Environment held in Dublin) states that '*women play a central part in the provision, management and safeguarding of water.*'<sup>57</sup>

UN agencies with domains covering WASH and gender have been advocating for gender mainstreaming as a gender equity strategy in WASH programs, some for over a decade. These include: UNDP<sup>58</sup>; UNICEF<sup>59</sup>; UN-Water<sup>60</sup>; UN-Habitat<sup>61</sup>; UNDESA<sup>62</sup>; and UN Women.<sup>63 64 65</sup> The World Bank has also referred to this approach.<sup>66</sup> More recently, the Special Rapporteur to the UN Human Rights Commission in the 2016 *Report on the human right to drink safe water and sanitation* stated: '*...a transformative approach is a prerequisite for ultimately achieving gender equality in the enjoyment of the human right to water and sanitation.*'<sup>67</sup> This Report particularly focuses on the *intersection* of gender and other social factors, which may cause compounded disadvantage.

Research conducted in francophone Western and Central African nations of Senegal, Cameroon and Niger, in The Joint Programme on Gender, Hygiene and Sanitation, designed and implemented by the Water Supply

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<sup>55</sup> <http://dfat.gov.au/about-us/publications/Documents/gender-equality-and-womens-empowerment-strategy.pdf>

<sup>56</sup> Carrard, N.R., Crawford, J., Halcrow, G., Rowland, C. & Willetts, J.R. (2013) 'A framework for exploring gender equality outcomes from WASH programmes', *Waterlines: international journal of water, sanitation and waste*, vol. 32, no. 4, pp. 315-333

<sup>57</sup> See <http://www.wmo.int/pages/prog/hwarp/documents/english/icwedece.html>

<sup>58</sup> See <http://www.undp.org/content/dam/aplaws/publication/en/publications/environment-energy/www-ee-library/water-governance/resource-guide-mainstreaming-gender-in-water-management/IWRMGenderResourceGuide-English-200610.pdf>

<sup>59</sup> See <http://wsscc.org/resources-feed/big-issue-putting-women-centre-water-supply-sanitation-hygiene/>

<sup>60</sup> See <http://www.unwater.org/downloads/unwpolbrief230606.pdf>

<sup>61</sup> See <https://unhabitat.org/books/mainstreaming-gender-water-and-sanitation-strategy-and-action-plan/>

<sup>62</sup> See [http://www.unwater.org/downloads/EGM\\_report.pdf](http://www.unwater.org/downloads/EGM_report.pdf)

<sup>63</sup> See <http://wsscc.org/resources-feed/best-practices-joint-programme-gender-hygiene-sanitation/>

<sup>64</sup> <http://wsscc.org/wp-content/uploads/2016/04/Study—Menstrual-Hygiene-Management-Behaviour-and-Practices-in-the-Louga-Region-Senegal-WSSCC-UN-Women.pdf>

<sup>65</sup> <http://www.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2016/towards-gender-equality-through-sanitation.pdf?vs=5952>

<sup>66</sup> <http://www.wsp.org/sites/wsp.org/files/publications/WSP-gender-water-sanitation.pdf>

<sup>67</sup> [http://www.ohchr.org/Documents/Issues/Water/Pamphlet\\_GenderEquality.pdf](http://www.ohchr.org/Documents/Issues/Water/Pamphlet_GenderEquality.pdf)

and Sanitation Collaborative Council (WSSCC) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) in 2016 involved using menstrual hygiene management (MHM) as a 'wedge issue' to begin the dialogue with governments on women's right to WASH.<sup>68</sup> This approach was reported to be successful, and helped to support both creating evidence and advocating for evidence-based policies and budgeting within three national governments.<sup>69</sup>

The Australian Aid Program's engagement with WASH and gender was influenced by research commissioned by DFAT under an Australian Development Research Award (ADRA) executed by a consortium including the Institute for Sustainable Futures (ISF) at UTS, International Women's Development Agency (IWDA), World Vision Vanuatu and Live & Learn Fiji.<sup>70</sup> This work has influenced community-based gender inclusive development in WASH under the CS WASH Fund, including through the '*Working Effectively with Women and Men in WASH Toolkit*'<sup>71</sup> and its adaptation in Plan's '*Gender and WASH Monitoring Tool Kit*'.<sup>72</sup> Australian CSOs engaged in WASH have made substantial advances on gender and social inclusion as outlined in WaterAid's publication *Towards Inclusive WASH*<sup>73</sup> and associated case studies of projects with rural and urban populations including the poorest of the poor, people living with HIV & AIDS, people with disabilities, as well as on gender from a variety of perspectives in Africa, Asia and the Pacific. The CS WASH Fund through its M&E function has documented the diversity of gender and social inclusion approaches adopted by CSOs in the current fund.<sup>74</sup>

There are several other areas in which WASH practitioners globally have started to consider gender and inclusion concerns and outcomes, as well as many areas which still require greater attention. Women's participation and voice in decision-making at the community-level has been given emphasis. However, less attention has been given to the flow-on effects in terms of women's leadership and voice beyond WASH, to their voice and decision-making at household level; aspects of intersectionality; and women's equal participation in WASH-related institutions, businesses or small-scale private sector and the wider public sphere. For instance, recent research shows that to date, women are not benefiting optimally from WASH-related economic opportunities and entrepreneurial activities in small-scale private sector and social enterprises, and could be further supported in this domain.<sup>75</sup>

To date significant emphasis has been on household level access, however WASH access in schools, health centres, workplaces, institutions and public places are now key considerations in the new SDG target of universal access, and directly affect women and other marginalised groups. In particular, the importance of women's access to WASH in health facilities for maternal and neonatal health has been recently acknowledged, and represents a key area in need of attention given low levels of access.<sup>76</sup> Menstrual hygiene management (MHM) is also recognised as a newly emerging area, requiring broaching a sensitive and taboo

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<sup>68</sup> Consultation with Dr Mbarou Gassama, Gender Equality Coordinator on WASH for UNWomen, Dakar

<sup>69</sup> <http://wsscc.org/resources-feed/best-practices-joint-programme-gender-hygiene-sanitation/>

<sup>70</sup> <http://www.genderinpacificwash.info/index.html>

<sup>71</sup> <https://www.iwda.org.au/resource/working-effectively-with-women-and-men-in-water-sanitation-and-hygiene-programs-resource-guide/>

<sup>72</sup> <https://www.plan.org.au/~media/plan/documents/resources/gwmt-march-2014.pdf>

<sup>73</sup> <http://www.inclusivewash.org.au>

<sup>74</sup> <http://www.cswashfund.org/sites/default/files/M%26E%20Note%209-Gender%20and%20Social%20Inclusion.pdf>

<sup>75</sup> See [www.enterpriseinwash.info](http://www.enterpriseinwash.info), ISF-UTS including Learning Brief 4: Driving Equality

<sup>76</sup> See WHO 2015 [http://apps.who.int/iris/bitstream/10665/154588/1/9789241508476\\_eng.pdf?ua=1](http://apps.who.int/iris/bitstream/10665/154588/1/9789241508476_eng.pdf?ua=1)



subject, consideration in both schools (and therefore education ministries) and households, and offering significant opportunity for policy and practice development.<sup>77</sup>

Lastly, safety, security and violence against women associated with accessing and managing WASH (including psychological, social norms, physical and sexual violence) has been documented and there is emerging guidance to support greater consideration of these dimensions in WASH.<sup>78</sup>

In the Framing Paper '*Gender & SDG6: The Critical Connection*' commissioned by DFAT and the Australian Water Partnership for the High Level Panel on Water in 2016, the authors signalled the necessity to fully integrate gender equality and social inclusion in WASH and WRM. The paper identified three key messages applicable to WASH and WRM, and to the Action Plan of the High Level Panel on Water: (i) Need for proactive and deliberate participation of women and gender-discriminated peoples at all stages of WASH and WRM; (ii) Integration across the SDGs will lead to more equitable and sustainable outcomes, including potential for efforts under Goal 6 to reinforce positive outcomes of gender equality (Goal 5) and reduce inequality overall (Goal 10); (iii) Good data underpins good practice, hence the importance of improving water data systems, including ensuring they are not 'gender blind'. The paper also emphasises that the human right to water and sanitation and the SDGs both call for the inclusion of all, equal rights for women, and the elimination of discrimination between people based on their age, gender, disability, race, ethnicity, origin, religion or economic or other status.<sup>79</sup>

Australia's policy leadership and programming on disability inclusive development since 2009 have also contributed to substantial shifts in inclusive practice, including in the WASH sector. *Development for All 2015-2020: Strategy for strengthening disability-inclusive development in Australia's aid program* sets out approaches and priorities which include a specific opportunity '*Enabling infrastructure and accessible water, sanitation and hygiene (WASH)*.' Australia's support, relevant to WASH, has included the development of a wide range of guidance (particularly the development of the *Accessibility Design Guide: Universal design principles for Australia's aid program*), as well as a combination of mainstreamed and targeted programs in Asian and Pacific countries. This, as well as other global advocacy and leadership efforts, has contributed to progressive achievement of the rights of persons with disability, consistent with Australia's obligations under Article 32 of the Convention on the Rights of Persons with Disabilities (CRPD).

#### 4. Rationale for new Fund

Water for Women was announced by the Prime Minister of Australia in September 2016 in recognition of the critical role that improvements to WASH plays in addressing poverty and contributing to economic and human development. The Fund responds to evidence that gendered approaches to WASH can contribute to more effective, sustainable WASH outcomes as well as improvements in women's and girls' well-being and offer an entry point to facilitate changes in gender relations, norms and attitudes.<sup>80</sup> Gender and social inclusion are central to the Fund (Sections 3.2, 6.2). In this way the Fund directly supports DFAT's Gender Strategy. The Fund is also expected to help address global threats in water scarcity and water security including resource depletion, contamination and effects of climate change.

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<sup>77</sup>[https://www.burnet.edu.au/projects/221\\_menstrual\\_hygiene\\_management\\_in\\_indonesia\\_understanding\\_practices\\_determinants\\_and\\_impacts\\_among\\_adolescent\\_school\\_girls](https://www.burnet.edu.au/projects/221_menstrual_hygiene_management_in_indonesia_understanding_practices_determinants_and_impacts_among_adolescent_school_girls)

<sup>78</sup> See <http://violence-wash.lboro.ac.uk/>

<sup>79</sup> Grant, M., Huggett, C., Willetts, J., (2016) Gender and SDG 6: the Critical Connection – A Framing Paper for the High Level Panel on Water, Australian Water Partnership <https://waterpartnership.org.au/gender-sdg6-the-critical-connection/>

<sup>80</sup> Carrard, N.R., Crawford, J., Halcrow, G., Rowland, C. & Willetts, J.R. 2013, 'A framework for exploring gender equality outcomes from WASH programmes', *Waterlines: international journal of water, sanitation and waste*, vol. 32, no. 4, pp. 315-333



The Fund builds on Australia's successful experience of working through CSOs in provision of WASH activities in multiple locations, in the CS WASH Fund. It also recognises DFAT's policy on working with CSOs, which notes 'CSOs can be powerful agents for change...and help shape policy and partnerships to ensure that programs are inclusive, relevant and effective for the community. CSOs can bring valuable connections to communities, comprehensive understandings of poverty in local contexts, and development expertise to Australia's development efforts. CSOs are also key to achieving DFAT's objectives of enhanced engagement of the private sector across the aid program<sup>81</sup>.

It is also consistent with both Australian Government policy priorities and international understanding about the intersection of WASH, gender and SDGs (Sections 1 to 3 above). The Australian Government's obligations and commitments to Agenda 2030, specifically SDGs 5, 6 and 10 are directly addressed through this Fund. Australia's profile in the High Level Panel for Water is also enhanced by this Fund's direct focus on current priorities and approaches.

The Fund's approaches reflect lessons learned through the CS WASH Fund's extensive M&E systems (Section 2.1 above) and current evidence on the importance of gender and social inclusion analysis and approaches to achieve effective WASH outcomes. Consultations undertaken for this Fund design have confirmed that CSOs operating in the current CS WASH Fund, other participants of the WASH Reference Group as well as DFAT's WSH Section, Gender Equality Branch and Disability Section are committed to ensuring Water for Women takes an equitable and inclusive approach. The rationale underpinning this Fund is that equality, regardless of gender, disability, age, sexual orientation or gender identity (SOGIE), ethnicity, indigeneity and so on, can be supported through WASH programming.

The rationale for the Fund's geographical coverage, South Asia, South East Asia and South Pacific countries, is based on current Australian Aid Program priorities and DFAT's interest in consolidating effort in fewer regions. The selection process for multiple CSOs, which will implement projects in relevant countries, will seek a balance between activities across the three regions. This process is suggested as a way of recognising that value for money considerations differ between regions, because of geographical, economic, demographic and many other factors, and also responds to different priorities in different countries and regions. The Fund will invite applications from CSOs with experience, existing alliances and networks and the capacity to contribute to inclusive WASH outcomes in countries selected by DFAT in the three regions.<sup>82</sup> CSOs will be asked to find a suitable balance between applying proven approaches (in participatory development, WASH programming and gender and social inclusion) and using innovations to catalyse and facilitate changes.

At the global level, Australia's positive reputation and leadership in the WASH sector is likely to be enhanced through its deliberate approach to gender and social inclusion and its support for knowledge and learning exchange across sector-specific and inter-sectoral issues. This will contribute to the quality of diplomatic engagement at country and regional levels as well as reputation at the international level. Private sector engagement, an important aid policy priority, is encouraged in the new Fund, through engagement by CSOs with private sector or social enterprises involved in the supply of WASH services and related products and related engagement with subnational governments to both facilitate and regulate these roles. Innovations in the CS WASH Fund through CSOs and private sector organisations have been effective, and such

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<sup>81</sup> <http://dfat.gov.au/aid/who-we-work-with/ngos/Pages/non-government-organisations.aspx>

<sup>82</sup> List of eligible countries is included in Annex 1

approaches will be supported in the new Fund. Where appropriate, focus on enterprises which contribute to women's empowerment and operate inclusively are of particular relevance to the Fund's objectives.

The Fund's rationale is summarised in a coherent over-arching theory of change (Section 5), which reflects stakeholder analysis at the time of the design, contemporary global and regional policy and experience and DFAT priorities. Consistent with the theory of change and to contribute to Fund coherence, a set of principles and suggested approaches are provided (Section 6) to guide the design process for individual projects. In recognition of the significant diversity of contexts within Asian and Pacific countries, the Fund is expected to comprise a set of context-specific gender and socially inclusive projects, which respond to detailed analysis of the WASH sector in each country. Based on this analysis, projects will be expected to identify feasible processes and define expected outcomes. The rationale behind this approach reflects the reality that each context starts from a different place and stakeholders in each country seek to achieve their own feasible priorities: this will maximise the chances of success overall.

The rationale for the proposed management approach (Section 8) incorporates lessons from the CS WASH Fund and shared interest in expanding a partnership approach. This reflects contemporary understanding of donor-funded CSO-implemented mechanisms and recommendations of the 2016 ODE evaluation of the CS WASH Fund management arrangements.<sup>83</sup> Approaches reflect negotiated agreement among stakeholders consulted for this design and in many cases, build on the current arrangements in the CS WASH Fund. They are also consistent with DFAT's aid policy and Government procurement guidelines. Key management features will include:

- a movement towards more shared strategic discussions between those involved in Fund implementation, in the form of a Fund Steering Group (FSG)
- increased coherence at the Fund coordination level between knowledge and learning, support for project monitoring, research and overall reporting
- increased engagement at the strategic level and reduced direct contract administration by DFAT
- emphasis on continuous shared learning between CSOs and the wider inclusive WASH network, to influence ongoing management
- emphasis on generating, sharing and promoting evidence of effective approaches in inclusive WASH, to support continuous improvement in the sector more broadly
- continued emphasis on accountability for delivering quality WASH results.

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<sup>83</sup> <http://dfat.gov.au/aid/how-we-measure-performance/ode/Documents/evaluation-of-the-management-arrangements-of-civil-society-water-sanitation-hygiene-fund.pdf>

## D. Investment Description

### 5. Objectives for Water for Women

#### 5.1 Theory of Change

The theory of change for Water for Women (see Figure 1) reflects analysis of the WASH sector at the time of the design process (early 2017) by the design team and multiple stakeholders, including specialists in gender and social inclusion and WASH. The theory proposes that the implementation of multiple projects by CSOs, combined with facilitated learning and exchange across CSOs and an associated parallel research component (the strategies), will contribute ultimately towards achievement of the goal. The theory recognises that a wide range of other efforts and programs by governments, communities and development agencies are also required.

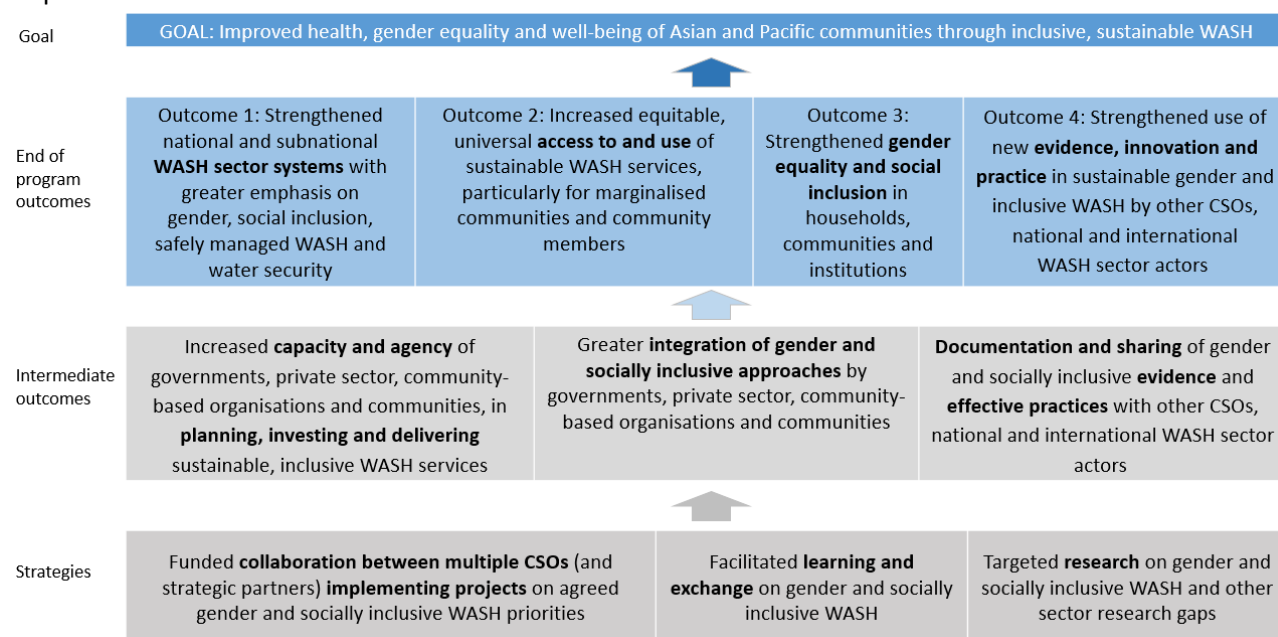


Figure 1: Theory of change for Water for Women

#### 5.2 Theory of change narrative

Water for Women is expected to contribute ultimately to the goal of: ‘**Improved health, gender equality and well-being of Asian and Pacific communities through inclusive, sustainable WASH**’. The Fund will use three **strategies**: funded collaboration between multiple CSOs (and strategic partners) implementing gender and socially inclusive projects on agreed priorities; facilitated learning and exchange; and targeted research.<sup>84</sup> These are expected to contribute to the intermediate and end-of-program outcomes described below, alongside many other influences and efforts by governments, communities and development programs.

The three strategies are expected to contribute to three **intermediate outcomes**. In their respective country contexts and based on sound context and gender and inclusion analysis, CSOs will work with change agents who may be governments, private sector, community-based organisations and communities, and include both women and men, and marginalised people, particularly but not exclusively, people with disabilities. Importantly, this Fund provides opportunities for CSOs to work with organisations which may not have traditionally operated in the WASH sector, such as women’s organisations or those representing people with disabilities (disabled people’s organisations – DPOs) as well as those with different skill-sets, such as those

<sup>84</sup> The complementary research component contributes to the agenda of Water for Women, and also have a wider mandate in terms of contributing to the global evidence base for WASH on issues and knowledge gaps beyond that agenda.

relevant to gender and social inclusion. These change agents are variously responsible for the range of systems, which initiate, fund, manage and maintain WASH services. Through CSO project engagement, the **capacity and agency** of these change agents will be increased in terms of their ability to support sustainable, inclusive WASH (first intermediate outcome). This includes their ability in planning, investing, managing, delivering and monitoring WASH services and hygiene behaviour change. To ensure change agents build skills in inclusive practice, the Fund will place the **integration of gender and social inclusion approaches** at the core of all WASH programming, using a combination of mainstreaming and targeted equity strategies, and ensuring the right skill sets are made available (second intermediate outcome) informed by sound contextual gender and social inclusion analysis of key barriers and opportunities. It is recognised that incentives and accountabilities for integration of gender and inclusive approaches will be required, particularly through support for improved voice and agency of women and other marginalised people at all levels, and a focus on strategies that address socio-cultural values and power relations. Lastly, since the Fund intends to innovate and lead gender and socially inclusive sector practice, CSOs will **capture and document their demonstrated approaches and related evidence**, and use this to **actively engage** with other CSOs, and wider national and international sector actors (third intermediate outcome). The facilitated learning and exchange component (with both internally focused and externally focused elements) will also directly support this outcome, as will the contribution from the research component.

The three intermediate outcomes are expected to contribute to four '**end-of-program outcomes**', in combination, and alongside other contributions and influences.

These include firstly, **strengthened national and subnational WASH sector systems** that have greater emphasis on gender, inclusion, safely managed WASH and water security (**Outcome 1**). The language of this outcome is consistent with global commitments and acknowledges that the influence of Water for Women is expected to contribute to changes at the systems level. The theory of change suggests that strengthened systems are likely to be achieved through the improved performance of change agents and wider changes to sector dynamics that they are able to influence, including in the domain of gender and inclusion within WASH. 'Safely managed' WASH reflects the increased ambition of the SDGs, and is expected to be reflected in the ways in which CSOs work with WASH actors and systems, as is attention to water security.

In addition and equally important, as a result of the actions of change agents, the theory of change suggests that these change agents will contribute to an **increase in equitable, universal access to and use of sustainable WASH services (Outcome 2)**, which includes a focus on water, sanitation as well as hygiene behaviour change. The actions associated with this process are expected to meet the specific practical needs of different groups.

As a result of mainstreaming and targeting gender and social inclusion within WASH, the theory suggests there will be **wider changes in gender equality and social inclusion** that extend beyond the domain of WASH and relate to other aspects of people's lives. These will demonstrate the ways in which WASH has been able to act as an entry point to address broader societal inequalities. Hence the inclusion of an outcome focused on **strengthened gender equality and social inclusion** in households, communities and institutions (**Outcome 3**). For example, including women and people with disabilities in WASH processes leads to greater experience, confidence and skills in other forms of community leadership and mobilisation, which are key to all types of social and economic development. Whilst deliberate effort to facilitate broader gender and inclusion outcomes is expected, it is recognised that making predictions about the expected 'flow-on' effects of gender and inclusive WASH programming on broader gender and inclusion outcomes will be difficult, and hence the need for a well-conceived monitoring approach for these outcomes, and an acceptance that greater, lesser or different outcomes may eventuate compared with those predicted. Monitoring against this

outcome is also important to safeguard against potential adverse impacts of the Fund and ensure adherence to a 'do no harm' approach.

Finally, the Fund seeks to influence wider WASH policy and practice through strengthened use of new **evidence, innovation and practice** in sustainable gender and inclusive WASH by other CSOs, national and international WASH sector actors (**Outcome 4**). Both uptake and use are critical steps to influence either practice or policy (or both), based on impact frameworks for production of knowledge and evidence.<sup>85</sup> Outcome 4 is expected to result in increased knowledge leadership on the intersection of SDGs 5, 6 and 10, by DFAT and partners, both regionally and globally.

Of the four outcomes, it is expected that CSO projects would more directly contribute to Outcomes 1, 2 and 3, in terms of overall balance, while the collaboration between CSOs and documentation of evidence and good practice (though knowledge and learning, M&E and research activities) will more likely contribute to Outcome 4.

Some key assumptions underlying this theory of change, and addressed in the Risk Matrix (see Annex 11) include:

- That CSOs are able to identify and partner with governments, development partners, private sector organisations and other institutions that are also open to, interested in and able to contribute to gender and socially inclusive WASH in Asian and Pacific countries in various ways
- That cultural values and existing structures in Asian and Pacific countries do not prevent inclusive approaches being adopted and inclusive behaviour being sustained
- That communities and organisations will adopt sustainable changes in access and use
- That the combination of stronger systems, improved access and use of WASH services, increased gender and social inclusion, and the application of good practice and innovation is sufficient to achieve greater inclusion in WASH
- That the provision of funds for multiple organisations operating in diverse contexts with various partners will contribute to sufficient change overall and not be 'spread too thin'
- That CSOs have the necessary skills, capacity and leverage to intentionally engage with specific 'change agents' in ways that result in both wider strengthening of sector systems as well as increased coverage in access and use of services, and in particular, in gender and socially inclusive ways, given that CSOs are relatively 'small' actors operating in complex contexts (though in some cases may be the only actor), while ensuring that they 'do no harm'<sup>86</sup>
- That gender and socially inclusive approaches applied by CSOs will achieve meaningful changes in the practice of 'change agents', since socio-cultural values in relation to gender and social inclusion are likely to take much longer to change than is available in project timeframes
- That it is possible to capture and share new evidence in ways that will lead to its uptake and use by other actors, who for various reasons may not be able to engage with new ideas and engagement processes.

### 5.3 *Program-wide and context-specific theories of change*

The Fund level theory of change presented in Figure 1 (and related Performance Assessment Framework in Annex 17) is intended for Fund-wide planning and evaluation. It guides the development of project-level theories of change and theories of action for CSOs, which reflect context-specific analyses, partnerships and participatory design processes in each country. In developing a Fund-wide theory of change, the following principles were taken into account:

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<sup>85</sup> See Muirhead 2017 Outcomes and impacts of ADRAS grants (forthcoming)

<sup>86</sup> For example see <http://www.conflictsensitivity.org/do-no-harm-local-capacities-for-peace-project/>

- unifying whilst providing room for diversity in approaches and contexts
- building on elements of the existing theory of change which has provided an effective framework for the CS WASH Fund and is well-understood by current stakeholders
- encouraging CSOs to focus on how they will partner and/or engage with specific ‘change agents’ who are part of a wider system of WASH service delivery including actors beyond communities
- easy to communicate and has a cohesive message.

The Fund-level theory of change is therefore *purposefully* simple, and multiple causal links are implied both within its main layers as well as between the layers, but are not elaborated, since they will look different depending on relative emphasis of chosen approaches, focus and strategies by each CSO. Project specific theories of change are expected to align with the Fund-level theory of change, to the extent which is appropriate to the national context. Gender and social inclusion, with inclusion or inclusive as short hand for gender and social inclusion, have been purposefully repeated throughout, to maintain this emphasis at all levels of the theory of change.

At project-level, it is expected that each theory of change will articulate more complex and context-specific links, and that the principles and strategies for delivery (see Section 6) will also be demonstrated in project designs. Detailed analysis of the project context as well as evidence-based practice (deriving from both the fields of WASH and gender and social inclusion more broadly) will be expected to inform proposed strategies. As part of their project-level theory of change, CSOs will be expected to clarify those actors with whom they will engage and why, through what types of strategies and activities, and the expected outcomes of that engagement. CSOs will also be expected to articulate the specific assumptions relevant to their theory of change.

## 6. Delivery Approach

Water for Women will be implemented using a set of *management* approaches and *developmental* approaches to guide those responsible, summarised below.

### 6.1 Fund management approaches

Water for Women is a supported mechanism for providing grants to multiple CSOs to implement specifically designed aid projects within the scope defined in this Design Document. It will be implemented using collaborative partnership approaches which means deliberate processes will be used to build strong effective relationships between stakeholders premised by shared goals and values.<sup>87</sup> This is included for three reasons: to build on the experience of the CS WASH Fund,<sup>88</sup> to share benefits; and mitigate risks associated with multiple stakeholders operating with different expectations, strengths, drivers, ‘bottom lines’ and legal obligations. A partnership development workshop built into the Inception Phase will build on the considerable goodwill already established during the highly consultative design process.<sup>89</sup>

Suggested partnership principles for the Fund overall are listed below, but a full and agreed list should be developed by participants at a ‘Ways of Working workshop’ within the partnership development workshop during the Inception Phase and also discussed and agreed among members of the FSG, preferably with the support of a skilled partnership broker or facilitator, given the range of stakeholders involved.

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<sup>87</sup> For example, see tools on partnership approaches can be seen at <http://thepartneringinitiative.org/tpi-tools/> and technical support available from the Partnership Brokers Association <http://www.partnershipbrokers.org/>

<sup>88</sup> During the CS WASH Fund, DFAT, the MERP, the Fund Management Facility and CSOs learned how to work effectively together, drawing on respective strengths and understanding each organisation’s priorities and cultural values.

<sup>89</sup> This is included in the Inception Workshop, about 10 weeks into the Inception Phase. Regular revision of ‘ways of working’ approaches will be built into the Fund Coordinator’s role.

- shared commitment between DFAT, CSOs and Fund Coordinator to the achievement of Fund-wide and project specific outcomes
- respect for the contribution of DFAT, CSOs and Fund Coordinator to achieving inclusive WASH in diverse contexts
- commitment to sharing the benefits and risks and benefits associated with implementing the Fund, and to open sharing of information including successes and setbacks (failures) for the benefit of joint learning
- commitment to contributing to the conditions for communities, local partners, national actors and other local organisations so that they may be able to empower themselves in the design, planning and delivery of inclusive WASH services
- collaborative approach to decision-making and working together to realise the shared goals
- emphasis on the generation and maintenance of mutual respect and trust, with openness and transparency in all activities, for the achievement of common goals
- commitment to sustainability of benefits flowing from the Fund.

The Fund recognises that in different contexts and with different organisations, a variety of approaches to contributing to change are appropriate: a ‘one-size-fits-all’ approach will be ineffective. The Fund also recognises that all those involved in implementation are expected to balance a range of issues and emphases (see Section 9.3 below). The Fund also reflects the understanding that there is benefit in the exchange of ideas, learning and expertise between multiple organisations, and that this process needs to be deliberately supported and resourced. A key management approach will include effort to maintain alignment of all Fund activities with the Theory of Change and this includes collection of data relating to common M&E indicators across all projects.

Details of the Fund Coordinator’s role, including in relation to grant management, financial management, public diplomacy and monitoring are included in Sections 8.5 and 10.2 and Annex 10. Overall the Fund Coordinator will be responsible for development of coordination, communications and reporting systems which meet DFAT requirements and recognise that CSOs and development partners bring their own organisational cultures, priorities, drivers, leadership styles, project management strengths and developmental frameworks.

### ***Diversity of implementing partners***

Water for Women will be implemented in Asian and Pacific countries by CSOs, which will be selected according to clear criteria (Annex 1). By funding a mix of CSOs, a design feature, the Fund seeks to extend the success of the CS WASH Fund, as well as contribute to cross-CSO learning and influence the work of other CSO networks both in Australia and internationally (depending on the home-country of selected Fund CSOs and on the countries in which they operate) with other stakeholders. The experience of implementing projects under the Fund could also contribute to ongoing capacity improvements in project management within selected CSOs. Delivery strategies described in this section seek to maximise strengths and manage perceived limitations of this design feature.

The experience of the CS WASH Fund has generated a continued sense of collaboration and shared vision between CSOs, DFAT and academic institutions with research interests in the sector.<sup>90</sup> The Water for Women Fund seeks to build on this experience by instituting more collaborative advisory and reflection processes for

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<sup>90</sup> Including through the activities of the WASH Reference Group



implementing organisations. The primary means for this is a Fund Steering Group (detailed in Section 8.4 below).

### ***Diversity of contexts***

The Fund is expected to operate through projects in multiple countries, the mix of which will depend on the selection process. This has several major implications in project delivery terms. First, CSOs will likely need to have existing links and established partnerships<sup>91</sup> in the contexts where they seek to work, in order to generate sufficiently deep analysis to inform the development of a theory of change for that context and to build on existing practice and engagement. Second, gender and socially inclusive context-specific analysis, combined with understanding of the broader literature/research on gender and socially inclusive WASH and context-specific theories of change will be needed for each context to identify the relevant strategies and detailed operational plans for each project.

DFAT supports longstanding bilateral WASH programs in various countries particularly Indonesia, Vietnam and Timor-Leste. These programs are relevant to CS WASH Fund projects, for example, in Vietnam where private sector engagement by the current CS WASH Fund project complements the proposed Aus4Water program. Similarly, in Eastern Indonesia, the CS WASH Fund project supports local government to access national government grants for WASH projects and complements the bilaterally supported PAMSIMAS program. CSOs will need to understand any existing bilateral WASH or gender equality and social inclusion activities and identify how their projects will complement them.

The diversity of contexts provides both opportunities for sharing information across different locations and approaches as well as risks of ‘spreading too thin’ in terms of contributions to sustainable change in one location. Having CSOs resourced to focus on K&L within their projects and supported to share learning more broadly can contribute to the wider sector in relevant countries and for other CSOs. Approaches to maximising the potential benefits and mitigating risks associated with the diversity of contexts are included in Sections 10 to 13 below.

### ***6.2 Developmental approaches***

Contemporary development approaches reflect both learning and changing priorities over the past 70 years<sup>92</sup>, within disciplines as diverse as politics, engineering, gender studies, economics, organisational change, community development, human rights and public health. To date, work in WASH, as indicated in Section C above, has drawn predominantly on ideas from engineering, public health, community development and behaviour change. Work on gender and social inclusion has drawn predominantly from rights based approaches and women’s and gender studies. As WASH programming globally has shifted from predominantly a focus on direct delivery of ‘taps and toilets’<sup>93</sup> to governance, gender and socially inclusive processes and outcomes, organisational strengthening (capacity building) and improved accountability for service delivery. As a result, other approaches have become relevant: this has been increasingly reflected in the CS WASH Fund through its theory of change that focuses on engaging local actors to facilitate improved access to services.

As the focus of Water for Women is on *gender and socially inclusive WASH*, the approaches taken at the Fund level and by CSOs in separate projects (described in Section E below) will need to incorporate more explicit approaches to gender and social inclusion, summarised below. Over the life of the 5-year Fund, ongoing

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<sup>91</sup> Although this does not preclude new partnerships, if there is good evidence of effective partnership management

<sup>92</sup> Since aid programs began after the Second World War

<sup>93</sup> Noting that in some contexts, a case also remains for direct delivery approaches, for instance, as regards institutions (e.g. schools) or in very low resource contexts

discussions and negotiations at the Fund Steering Group level will likely consider these approaches as they apply in reality. More ideas about aid effectiveness are likely to emerge over the Fund's life: both strategic thinking and project implementation need to remain appropriately nimble, adaptive and responsive, while retaining focus on evidence-based programming, outcomes of interest, value for money and accountability.

In summary, overall Fund-level **developmental approaches** will include the following elements (Section 9.3 below provides more details associated with applying these approaches in practice):

- Incorporation of evidence-based, contemporary understanding of gender and socially inclusive approaches in WASH at all levels
- Application of contemporary understanding of development and change and alignment with DFAT's Strategy for Effective Governance,<sup>94</sup> particularly the importance of 'thinking and working politically' and understanding complexity, the importance of understanding the connection between social and organisational cultural values, the political and institutional environment, the importance of building from the knowledge and influence of local leadership in local CSO, government or private sector partners and the scope and nature of potential change in each context, including in fragile or conflict affected contexts in which there may be specific considerations
- Emphasis on knowledge and learning, and integration with M&E, sharing and use of new and existing research evidence for the benefit of all those implementing Fund-funded projects as well as the global WASH sector, CSOs' other programs and the broader Australian Aid Program
- Periodic action-reflection processes across the Fund (by the FSG) and at project level (within CSOs) to ensure effectiveness and maximise the benefit of adaptive and iterative practices<sup>95</sup> for governance, management and systems.<sup>96</sup>

### ***Responding to WASH sector trends***

The design of Water for Women and expected approaches to be adopted by CSOs will take account of key emerging WASH sector trends and needs such as:

- Commitment to coordinated efforts to strengthen national and subnational systems, including both the critical role of national and subnational governments as well as the related roles of private sector and civil society
- Increased ambitions of the SDGs and targets of safely managed water and safely managed sanitation and extension to include emphasis on universal access including access in schools, health centres, institutions, workplaces, public places etc. It is expected that CSO approaches to the SDGs will support and align with approaches adopted in the relevant country context, and will recognise the need for progressive advancement towards safe and safely managed WASH
- Recognition of water and sanitation as human rights, and the pathways this provides for additional leverage
- Functionality and sustainability of WASH systems and behaviours to ensure the continuation of increased access and use of services and their benefits
- Emerging subsector priorities and strategies: For instance, increased priority to urban sanitation and faecal sludge management in both urban and rural areas, continued efforts to engage with private sector or social enterprise, increasing emphasis on menstrual hygiene management etc.

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<sup>94</sup> DFAT 2015 Effective Governance Strategy for Australia's Aid Investments

<sup>95</sup> <https://www.hks.harvard.edu/centers/cid/publications/faculty-working-papers/cid-working-paper-no.-240>

<sup>96</sup> This is deemed particularly important in the context of iterative adaptive approaches to programming, in which the context and political economy analysis conducted during inception needs to be documented used to benchmark the changes achieved, and keeping records and data on the objective and the trialled approaches is imperative to support the internal governance, M&E and K&L and research priorities.

- Recognition of interlinkages and potential for synergy between WASH and other areas, including water resources management (WRM), disaster risk reduction (DRR) and nutrition, and the importance of taking into account climate change and relevant adaptive measures
- Increasing recognition of how political economy dynamics affect WASH systems and outcomes, and appropriate involvement of local private sector actors
- Particular emphasis on sanitation given the poor levels of access in all relevant regions
- Importance of embedding a hygiene focus in all WASH programming, given its importance and cost-effectiveness, and recognising the need for innovation in behaviour change communication
- Recognition that WASH in Schools, as possible, should include all three elements of access to water, adequate sanitation facilities and handwashing/hygiene including menstrual hygiene management
- Emphasis on vulnerable populations in urban (particularly informal settlements) and rural areas.

### ***Gender and socially inclusive approach***

International experience in the WASH sector and the experience of the CS WASH Fund confirm that the involvement of women and girls is crucial for effective and sustainable WASH projects. At a strategic level, women and girls' active involvement in decision-making in relation to WASH is necessary for investments to be successful and sustainable. At practical levels, women and girls are primarily responsible for carrying, using and protecting water in their communities, carry a greater burden of responsibility for environmental sanitation, nutrition and health in the home, and have particular practical needs (for instance menstrual hygiene management). Marginalised groups or people are also integral to addressing the WASH needs of all, including people living with a disability. A 'do no harm' approach is critical in this context, because there is a risk of increasing women and girls' burden that could exacerbate inequalities, that facilitating their empowerment could put them at risk of violence, or that marginalised groups will be further stigmatised by culturally inappropriate interventions.

Recent evidence suggests that working in gender, inclusive and equitable ways in WASH can result in broader gender and inclusion outcomes in households, communities and institutions, beyond specific WASH-related benefits (Section 3.2). For gender, this could include potentially transformative outcomes in relation to women's leadership, participation and voice in decision making; women's economic empowerment as a result of involvement in WASH-related private sector or social enterprise; safety and violence against women; and household relations, workload distribution or other changes. For inclusion, this could relate to increased empowerment, voice or agency in other domains of life aside from WASH or other changes.

The Fund will adopt a gender and socially inclusive approach to programming in WASH. In the context of community-based WASH in rural (or sometimes informal urban) contexts, an inclusive approach recognises that in order to assist women and girls and any particular demographic group experiencing marginalisation, including people with disabilities, development programs need to engage the whole community. This may include formal and informal leaders, workplaces, institutions or any other space where gender and social inclusion is addressed. This recognises and seeks to address inequalities that contribute to disadvantage and marginalisation of some sections of the community. This approach recognises that all members of a community or institution are responsible for inclusive approaches, not only those who are marginalised or excluded.

An inclusive approach recognises that 'women and girls' and 'persons with a disability' are not necessarily separate subsets of a community, but part of all communities, which largely operate collectively. All communities comprise men and boys, women and girls, children and adults with disabilities, as well as elderly people and people marginalised on the basis of a range of social and economic characteristics. Many

characteristics are intersectional and the nature of the implications of both categorisation and intersectionality vary from culture to culture and location to location.

Projects which operate at institutional, governance, structural and advocacy levels or involve the private sector will be based on gender and socially inclusive analysis that identifies issues to promote positive change as well as collaborative identification of realistic opportunities for CSO engagement. For example, access to WASH in health centres is likely to involve analysis of gender and inclusion issues in design, decision-making, staffing, resource allocation and leadership. In projects that seek to strengthen gender and socially inclusive government policy related to WASH service delivery, analysis of influences on policy development may generate opportunities for advocacy, joint planning, networking and other policy engagement processes.

The ways in which the Fund-supported projects work to achieve inclusive outcomes will depend on **quality analysis** of the nature and influence of cultural values related to gender and social inclusion in each WASH context (see Annex 3 for further guidance). Project implementers are expected to address the context-specific elements of gender roles, which currently cause women and girls' disadvantage and design responses that elevate women, without men feeling disadvantaged and potentially resentful. The intersectionality of gender and other social factors such as disability, age, ethnicity or indigeneity and diverse sexual orientation and gender identity (SOGIE) may cause compounded disadvantage for all women and men, girls and boys and need to be taken into account.

The Fund will **mainstream** gender and social inclusion considerations into every part of the project cycle (analysis and concept, planning and design, implementation and M&E). This is necessary both to reduce existing inequities in access to and use of WASH services as well as achieve the variety of gender and socially inclusive outcomes sought in each context, some of which might be at institutional levels and some transformational, depending on what is possible in each context. Where marginalisation causes severe barriers in access to safe WASH for specific groups of people, **targeted equity strategies** will also be required, in order to achieve balance and access for all.

In practical terms, the Fund encourages CSOs to place particular effort on supporting women to participate as decision makers in determining approaches taken to improving gender equality, and/or potentially being involved or trained in technical areas of WASH implementation, operations and maintenance, or supported in private sector or enterprise roles. In addition, CSOs will be expected to identify ways to enable people with disabilities to participate in projects and benefit from development activities. Project strategies to maximise participation of people from other marginalised groups will be also expected, in order to achieve inclusive approaches.

Considerable skills are required for aid practitioners to engage whole communities, government institutions, private sector and community based organisations in ways which respect cultural values, explain alternative values (e.g. about changed behaviour, systems and approaches gender equality and social inclusion) and potential benefits to all, and create interest in achieving change. Once there is shared interest in making change, high quality and sustained engagement is necessary to identify multi-level and contextually-specific strategies to suit each setting and institution. CSO personnel working in this area need different approaches, skills and systems from those relevant to technocratic approaches to development: the Fund provides the opportunity to build on existing CSO skills, build collaboration between those with different skill sets and approaches, and share learning of this across the sector and beyond.

### ***Recognition of complexity***

Changes associated with inclusive WASH are likely to include a mix of different types of context, different issues being addressed and different emphases within projects (e.g. water, sanitation and hygiene) and thus require a mix of different types of facilitated change processes, with some being more predictable than others. For example, there are widely agreed relatively 'simple' and understood links concerning behaviour change triggers in sanitation (e.g. disgust in community-led total sanitation in certain contexts). However, in more complex change processes, such as those that seek to increase the on-going performance of a private sector service provider or government officers in improving WASH outcomes, less predictable and less well-understood approaches are appropriate. A wide mix of efforts may need to be tried for example to address issues such as: identifying appropriate incentives in each setting, linking with other processes of change, strengthening ethical leadership, increasing accountability by government agencies for maintenance of infrastructure, or bringing about equitable power sharing in community WASH committees. There is no single 'best practice approach' to inclusive WASH that suits all contexts: the value of this Fund is both its support for a variety of approaches to bringing about sustainable changes, building on existing practice that has had demonstrated success (and as appropriate, facilitating its careful adaptation to new contexts), and its systematised process for supporting exchange of learning about effective practices and existing and new research evidence between the multiple implementation teams.

### ***Understanding the political economy***

As noted in Section 3, there is increasing understanding in the aid sector that political, power<sup>97</sup> and cultural issues<sup>98</sup> are critical for bringing about (or blocking) sustainable change. Thus aid programs need specific ways to deepen understanding of these issues in each context and develop strategies to maximise the likelihood that changes can be achieved, particularly as/when technocratic approaches are insufficient on their own.<sup>99</sup> In this Fund, CSOs will be expected to develop as deep an understanding as possible, of the contexts in which their projects will operate, through analysis of the power structures that influence gender and socially inclusive WASH issues and institutions, as well as of the cultural values and norms which influence perceptions of gender, social inclusion, decision-making, participation and risk management. Scale is also relevant and the complexities of service delivery in for example, Asian states with subnational conflicts need to be taken into account. This initial analysis and the ongoing engagement required to deepen understanding over the life of projects, will increase the likelihood of successful achievement of sustainable outcomes in each context.

### ***Emphasis on learning and reflection to improve practice***

Building on the positive experience and benefits of the CS WASH Fund, Water for Women will include a continuing emphasis on knowledge and learning, research and exchanging information both within and beyond the Fund about effective programming approaches in different contexts. See Section 9.6 for details of the knowledge and learning component.

### ***Project delivery***

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<sup>97</sup> For example, see Green, D 2016 *How Change Happens*, Oxford University Press and <http://www.dlprog.org/publications/everyday-political-analysis.php> for a readily accessible summary

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K "http://publications.dlprog.org/TWP.pdf" <http://publications.dlprog.org/TWP.pdf>  
Booth, D and Unsworth S 2014 *Politically smart, locally-led development* <https://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/9204.pdf>  
and Faustino, J and Booth, D 2014 *Development Entrepreneurship: How Donors And Leaders Can Foster Institutional Change* <https://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/9384.pdf>

At the **project level**, individual CSOs will be expected to consider the Fund-wide approaches described above to inform the selection of approaches to their project design and delivery which are detailed in Sections 9.3 to 9.7 below and Annexes 1-6.

## 7. Resources

### 7.1 Fund budget

The Water for Women Fund budget is \$100.6 million over 5 years, commencing in December 2017, with an additional \$10.6 million for Research (Annex 9). The Fund budget will comprise a mix of CSO project funding, Fund governance and management, Fund Coordinator costs, research projects and independent reviews. A summary of the estimated allocations is in Table 1 below.

**Table 1 Estimated budget allocations**

Category	Estimated budget (A\$)	Estimated %
<b>Project implementation</b>		
Grants to CSOs for projects	91,400,000	82.6%
Innovation and Impact grants	1,000,000	0.9%
Research grants (including extension “Impact Maximisation” grants)	9,800,000	8.9%
Fund Management including DFAT’s independent M&E costs	8,400,000	7.6%
<b>TOTAL</b>	<b>110,600,000</b>	<b>100.0%</b>

The spread of funding over each year is estimated in Table 2 below.

**Table 2 Spread of funding by year**

Year	Estimated budget (A\$)
<b>2017-18</b>	20,000,000
<b>2018-19</b>	23,200,000
<b>2019-20</b>	23,200,000
<b>2020-21</b>	23,200,000
<b>2021-22</b>	21,000,000
<b>TOTAL</b>	<b>110,600,000</b>

### 7.2 Grant size

Grant sizes for each individual CSO project are expected to be between \$2.5 million and \$10 million over a 5 year period.

### 7.3 DFAT staffing

Experienced officers are required within DFAT to ensure policy coherence and quality engagement by DFAT with implementers of a Fund of this scale and scope. In addition, Director-level and Branch-level officials are required to be directly involved in representation tasks related to the Fund, given its global relevance, regional coverage and financial size.

A senior DFAT staff member will be Co-Chair of the Fund Steering Group, requiring consistent engagement at policy and programming levels, to maximise the quality of interaction and facilitation of shared strategic approaches to the Fund overall. Those responsible for financial delegation decisions will be expected to take into account the collective advice provided by the Fund Steering Group.

Given the shift to higher thresholds where approval needs to be sought, and the shift to grant management by the Fund Coordinator, it is expected that DFAT involvement in approving changes in project designs will be reduced compared with the current CS WASH Fund.

## 8. Fund governance, management and implementation

Effective decision-making for a Fund of this size and complexity requires a combination of elements at different levels. There is value in maximising the benefits of collaboration between organisations with different perspectives and experiences to generate sophisticated and nuanced decision-making, rather than decision-making based on only one frame of reference or one organisational driver. In addition, clarity of roles and responsibilities, ongoing focus on effective relationships and ‘ways of working’, respect for diverse organisational cultures, and shared recognition of the value of iterative and adaptive approaches will assist with effective Fund governance.

While this design document provides a framework for overall Fund implementation, it assumes goodwill and shared commitment to partnership approaches, collaboration and common goals as well as professionalism in interactions and project implementation among Fund stakeholders. Overall, the Fund will shift to more of a partnership relationship, with shared responsibility for benefits and risks.

This section summarises key principles to inform Fund governance, management and related Fund decision-making as well as the proposed elements and value for money considerations. Section 12 and Annex 10 provide specific roles and responsibilities for each group.

### 8.1 Options considered

During the design phase, various Fund governance options were canvassed, including: placing greater governance responsibilities in a Fund Coordinator; retaining DFAT responsibility for contracting CSOs; and the selected option described below. Each option has strengths and limitations and these are considered differently by each stakeholder group.

The perceived strengths of the proposed approach include:

- Responds to DFAT’s interest in focusing effort at strategic level
- Recognises benefits of collaborative/ collective strategic direction-setting/advice
- Provides opportunities for DFAT and CSOs to engage at strategic/policy engagement level
- Recognises ongoing value of access to technical advice for CSOs on M&E, gender and social inclusion and WASH, as well as to promote knowledge leadership by the overall Fund globally
- Sustains shared interest in knowledge and learning
- Increases potential for shared ownership of benefits and risks.

The perceived limitations include:

- Increased time, and other resources, associated with sustaining trust-based effective communications across all parties, particularly at the strategic governance level and between CSOs, DFAT and the Fund Coordinator



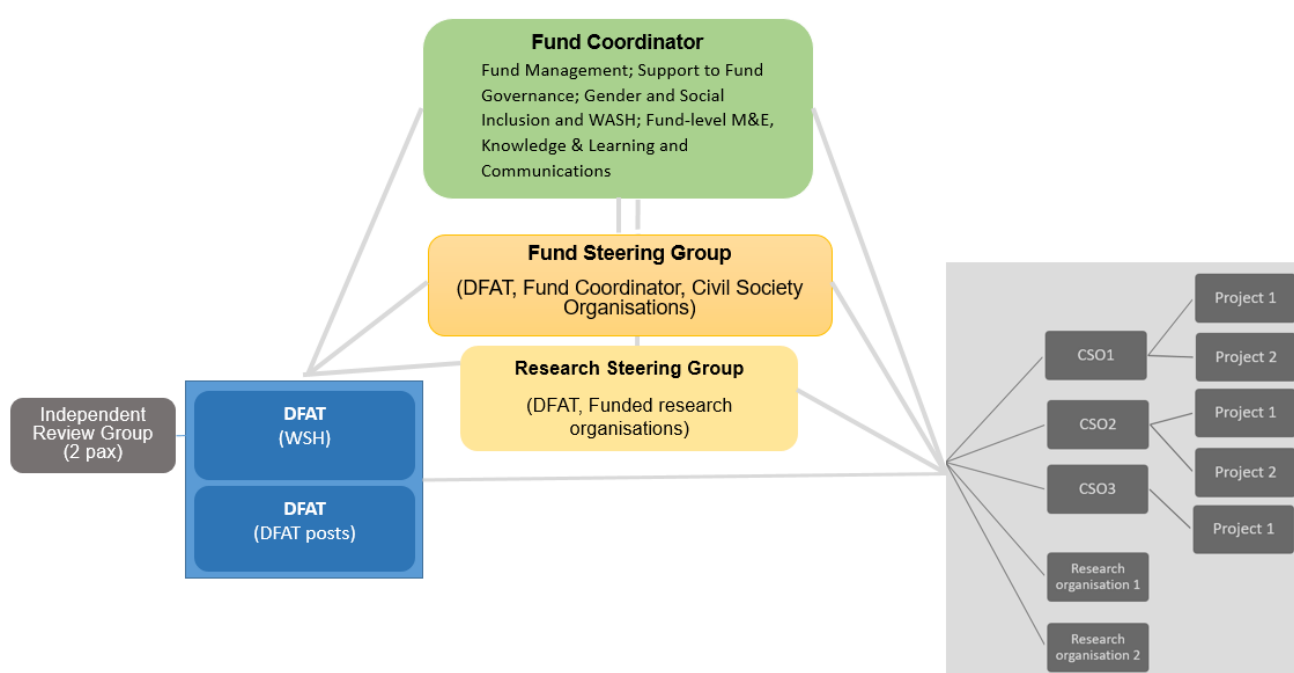
- Places Fund Coordinator in direct contractual relationships with CSOs and potentially increases costs associated with managing risks
- Reduces dedicated resources for independent M&E at Fund level.

The design team has sought to suggest ways to maximise the strengths of the recommended option and minimise limitations, while focused on the Fund's intent, value for money considerations and contemporary development approaches.

### 8.2 Selected Fund governance and management model

Analysis of the options, consultation with current stakeholders in the CS WASH Fund and design team deliberations has led to the development of a Fund governance and management model for Water for Women that is expected to maximise efficiency, effectiveness, collaboration and results. **Figure 2** below summarises the structure of the Fund's management.

**Figure 2 Summary of Fund Governance Structure**



*Note: The number of CSOs and projects represented in this diagram is not intended to be representative of the expected number of grantees or projects.*

Details of the principles and approaches underpinning this approach, key elements and the interaction between each element are provided below.

### 8.3 Principles and approaches

The following principles are expected to guide the way the Fund is governed, managed and implemented:

#### Partnership

- recognition of partnership approaches in which responsibility for benefits and risks is shared between DFAT, CSOs and the Fund Coordinator
- recognition that the Government (DFAT), the Fund Coordinator (to be selected and contracted) and the implementing CSOs (to be selected and funded through grants) bring diverse organisational cultures, accountabilities, purposes, strengths and capacity to contribute

- respect for different organisational cultures and drivers within DFAT, Fund Coordinator and CSOs, particularly DFAT's responsibilities associated with expenditure of public funds, and CSOs' independence
- recognition of the value of diversity of both CSOs and projects for shared learning, assuming diverse views, applying different methods and commitment to negotiating agreements
- valuing of collective and informed provision of advice to DFAT by those involved in project implementation and coordination about strategic Fund-wide approaches and issues

#### *Specialist expertise and developmental approaches*

- recognition of the necessity of quality context-specific gender and socially inclusive analysis for informing project designs
- recognition of the benefits of iterative, adaptive and evidence-based approaches to implementation to respond to emerging lessons, changes in the environment and research evidence about effective approaches, as well as the skills and capacities required to effectively implement such approaches
- recognition of the value of specific expertise associated with provision of Fund-wide coordination systems and project support, including the facilitation of knowledge and learning events and processes
- recognition of the value of respective specialist expertise in gender and social inclusion, M&E and WASH and how in combination these are all needed to support the Fund's work

#### *Implementation and monitoring*

- recognition of the need to find an appropriate balance between management and monitoring for accountability, responsiveness to diversity, emerging learning and ongoing performance improvement
- commitment to supporting and achieving outcomes included in each of the CSO projects which are aligned with overall outcomes for the Fund and complement specific country aid programs supported by DFAT
- commitment to the importance of ongoing and collaborative learning, given the multiplicity of elements in effective WASH programming and multiple stakeholders
- emphasis on finding an appropriate balance between applying good practice/lessons learned and innovating to maximise inclusion and sustainability, at both Fund and project levels
- shared commitment to periodic evaluation of the Fund overall (see Section 11 below).

### **8.4 Fund governance**

The proposed elements and approaches to Fund governance reflect lessons learned from the CS WASH Fund<sup>100</sup> and other programs that support a range of CSOs<sup>101</sup> as well as recommendations from the ODE Evaluation of the management of the CS WASH Fund,<sup>102</sup> consultations with stakeholders and contemporary approaches to aid partnerships.<sup>103</sup> The ODE Evaluation specifically recommended that the design team for

<sup>100</sup> A survey of those involved in the CS WASH Fund noted four key elements to take into account: risks and benefits identified of the proposed model; the need for clearly defined roles for all parties; reporting arrangements 'fit for purpose' and decided up front; role of the MERP or equivalent has been effective and should be continued.

<sup>101</sup> Including Africa Australia Community Engagement Scheme (AACES) - <http://dfat.gov.au/about-us/publications/Pages/aaces-program-review-2011-2016.aspx> and Afghanistan Community Resilience Scheme (ACRS) - <http://dfat.gov.au/about-us/publications/Pages/australia-afghanistan-community-resilience-scheme-aacrs-design-document.aspx> and Lao Australia NGO Cooperation Agreement (LANGOCA) <http://dfat.gov.au/about-us/publications/Pages/laos-australia-ngo-cooperation-agreement-final-evaluation-report.aspx>

<sup>102</sup> <http://dfat.gov.au/aid/how-we-measure-performance/ode/other-work/Pages/evaluation-of-the-management-arrangements-for-the-civil-society-water-sanitation-and-hygiene-fund.aspx>

<sup>103</sup> For example, see tools included at <http://thepartneringinitiative.org/tpi-tools/> and technical support available from the Partnership Brokers Association <http://www.partnershipbrokers.org/>

this Fund should consider ‘a Fund-specific advisory or consultative group which includes all members of the Fund management team and Fund CSOs’ (Recommendation 3).

In the light of principles described above and the factors considered during the design process, a Fund Steering Group (FSG) will be established to provide collective advice to DFAT on Fund-wide issues, monitor Fund progress and promote Fund-wide learning and engagement. The FSG will provide the opportunity for the leading WASH personnel from organisations involved in the management of the Fund to maintain joint overview of strategy, progress and emerging policy and programming issues.

During the Inception Phase, a facilitated ‘ways of working’ process will be included in the Inception Workshop. This will provide an opportunity for all those involved to identify their interests and ‘bottom lines;’ to ensure there is shared understanding of the role of the FSG; to negotiate agreed approaches to resolving differences and minimising the negative impacts of risks. In particular, a facilitated approach of this nature, will help to minimise the risk of poor relationships, misunderstood expectations and other problems which may affect the quality delivery of projects.

A draft Terms of Reference (TOR) for the Fund Steering Group has been provided in Annex 12 and will provide the basis for discussion at the Inception Workshop. This TOR covers the FSG membership, operation, partnership principles and ways of working, and possible roles. In brief, the FSG will be chaired by DFAT and a rotating Co-Chair selected from the CSOs, and will comprise DFAT, CSOs and relevant Fund Coordinator staff. It will meet 6 monthly, likely alternating between face-to-face and online. The Fund Coordinator will provide secretariat services.

A less formal **Knowledge and Learning Advisory Group (K&L Advisory Group)** will be composed of representatives from CSOs and research organisations and the Knowledge and Learning Manager (KALM) of the Fund Coordinator. The role of this group will be to guide and contribute to Fund K&L activities.

A smaller **Research Steering Group (RSG)** will maintain strategic oversight over the Research Component. This group will comprise DFAT Chair, Fund Coordinator and a lead representative from each research grantee. This group will meet via teleconference/online platform every 6 months. The role of this group will be to, at a strategic level, monitor the achievement of agreed outcomes of the Research Component, ways to maximise its effectiveness and discuss any changes in research grant management or performance assessment approach. The RSG may at times communicate directly with the FSG (or meet at a common time), however communication is likely to primarily be through the Fund Coordinator. DFAT Posts will be invited to participate in meetings through the Fund Coordinator.

### **8.5 Management**

Overall Fund coordination and provision of programming/logistical support for CSOs will be undertaken by an entity experienced in managing multi-stakeholder CSO-implemented international aid programs, such as a managing contractor or consortium. It will be called the Fund Coordinator. The Fund Coordinator will be responsible for a range of roles, detailed in Section 10.2 and Annex 13.

Selection of the Fund Coordinator will involve a tender process (see Annex 13 for the Statement of Requirements including a value for money assessment). Following a tender process to select an appropriate entity, a contract between DFAT and the Fund Coordinator will be negotiated.

The Fund Coordinator will directly hold and manage the CSO grants (unlike the current Fund where DFAT directly provides the grants to CSOs, with Fund Manager support). This is expected to reduce administrative

burden for DFAT and reduce duplication in due diligence by DFAT and Fund Manager, as pointed out in the ODE Evaluation.

Other key functions of the Fund Coordinator concern supporting Knowledge and Learning across the Fund and Fund level Monitoring and Evaluation, both of which will draw on strategic-level technical roles in GESI and WASH. In their reflections for the ODE Evaluation and in consultation for this design, CSOs mentioned the value they placed on the element of the MERP function related to technical support and continuous improvement. They valued dealing with the same people over the life of the contract and engaging with their expertise in certain areas. During consultation for this design, the current Fund Manager also confirmed this value and further highlighted the benefit of long-term engagement of technical experts with a close understanding of how the projects varied with context, to the overall knowledge and learning outputs of the CS WASH Fund. Water for Women will build on this foundation and a consistent long-term M&E function is part of the proposed design.

The drawbacks of the current arrangements according to the ODE Evaluation are the administrative load for separate MERP contracts and recognition that there could have been greater collaboration between the MERP and KALM processes. It is therefore envisaged that a Fund Coordinator will employ a small team of specialists, including M&E and K&L roles and as well as GESI and WASH technical specialists, who will also support M&E and K&L functions based on their specialist knowledge. The proposed team structure is expected to place M&E expertise within the Fund Coordinator to maximise interaction with K&L activities and facilitate double loop learning. This arrangement is not without its risks, and it is recognised that there may be a loss of independence by including the M&E function within the Fund Coordinator, and hence the addition of an Independent Review Group who will provide additional independent assessment of the Fund progress and arrangements overall.

As many of the risks associated with program management are shifted to the Fund Coordinator within this Fund (compared with the CS WASH Fund arrangements), and to accommodate the shift of M&E arrangements from outside the Fund Coordinator to within, the following changes to the current positions<sup>104</sup> are proposed. In Water for Women, the following positions (or equivalent) are suggested:

- Fund Manager
- K&L Manager (KALM)
- M&E Specialist
- Gender and Social Inclusion Specialist
- WASH Specialist
- Administrative assistant

While the Fund Manager and M&E Specialist positions are likely to be specified, tender applicants may, for the other suggested positions, propose a different mix of positions; part-time/full-time status, role descriptions and number of people to meet the essential requirements of the office.

Further details on the Roles and Responsibilities of the Fund Coordinator are presented in Section 10.2, and Position Descriptions for the above roles are provided at Annex 10.

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<sup>104</sup> In the CS WASH Fund, positions include a Fund Manager, K&L Manager and Program Coordinator/Assistant and additional administrative resources are provided by the Contractor.

The performance of the Fund Coordinator's work will be assessed as part of its Annual Partner Performance Assessment (PPA). The PPA is conducted according to standard DFAT process, and the following indicators may be helpful in completion of the PPA:

- quality of relationships with CSOs, DFAT, and other stakeholders
- quality of support for the Fund approach, principles and processes
- quality of support for embedding gender and inclusion into high-quality WASH implementation
- ability to respond to DFAT requests for information in a timely manner
- ability to appropriately pitch support so it recognises the independence of CSOs and of the fact there is no single 'right way' to implement aid projects; fostering a learning environment
- facilitate timely and high quality knowledge and learning processes and outputs to inform the iterative and adaptive programming of the CSOs, exert broader sector influence and support public diplomacy efforts
- ability to mitigate and manage program risks
- quality information system and reporting
- robust financial management
- effective and efficient implementation of annual plans/work plans/strategies within agreed timeframes.

#### *8.6 Partnership Approach between DFAT and CSOs*

The partnership principles suggested above (Section 6.1) will be expected to influence relationships between DFAT, the Fund Coordinator and CSOs. The Fund builds on increasing levels of trust between CSOs and DFAT during the CS WASH Fund and understanding of the strengths and limitations of both compliance-based contracting and partnership-based programming.

DFAT Canberra will form a selection panel and with input from Posts will select CSOs. Once selected, CSOs will sign inception phase Grant Agreements (see Annex 15) with DFAT. Following the inception phase and upon completion of approved project design documents, CSOs will sign grant agreements with the Fund Coordinator.<sup>105</sup> From this point, the primary point of contact for CSOs will be the Fund Coordinator. DFAT expects to remain in close and regular contact with selected CSOs to discuss progress, performance (based on M&E reports) and overall Fund issues. A number of risks are associated with CSOs' Grant Agreements being with the Fund Coordinator rather than DFAT (as is the case under the CS WASH Fund), including the possibility that the balance between compliance and respect for operational independence of CSOs is not maintained over the five year life of the Fund.

Based on experience under the CS WASH Fund, CSOs will be expected to continue to communicate directly with DFAT WSH Section, focused on strategic issues. CSOs are also expected to communicate directly with DFAT Posts particularly around opportunities for public diplomacy. Given the multi-stakeholder nature of the Fund and the different organisational structures, cultures and purposes between DFAT, CSOs and the Fund Manager, particular effort will be needed from all parties to apply partnership principles and regularly review communications protocols and practice.

#### *8.7 Value for money analysis of options for management*

DFAT's decision to support implementation of a set of CSO-designed projects through Water for Women recognises the relative effectiveness and efficiency associated with CSOs' collaborative work in diverse and

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<sup>105</sup> NB This contrasts with the CS WASH Fund, where CSOs were contracted directly by DFAT.

complex (often remote) community and local settings and their ability to work creatively to address inter-sectoral community-level issues, as well as work at other levels and with other in-country stakeholders.

CSOs bring potential additional developmental benefits compared with contractors, such as their commitment to ongoing relationships, which can sustain benefits over longer periods, their linkages with other community-oriented networks and access to complementary development activities within their project portfolios in each country.

There are multiple elements associated with value for money assessment and contested views about the relative weighting of different elements.<sup>106</sup> The design team for Water for Women considered a range of options for aspects of Fund management, but since the Concept Note already specified DFAT's commitment to fund multiple CSOs and to appoint an entity to undertake the role of managing multiple agreements, the focus of value for money considerations was on this option alone.

The knowledge and learning component of the CS WASH Fund was deemed effective and of proven value for money, and is likely to play an important role in facilitating and maximising public diplomacy efforts.<sup>107</sup> This includes regional learning events, external communications through the Fund website and I&I grants.

In the context of an increased role and responsibility of the Fund Coordinator (as compared with CS WASH Fund) and associated costs, DFAT seeks to reduce two areas of cost in the CS WASH Fund in Water for Women: first, costs of an independent monitoring group (MERP, operated through 3 separate contracts) and second, costs of DFAT administration resources associated with its direct contracting of CSOs.

In the case of the M&E costs, the Fund will address this issue by splitting the current role into two parts (see Section 11 below), within a broader shift of M&E responsibilities to the participating CSOs and reduced collection of data at the Fund level. A shift towards greater responsibilities to CSOs for M&E recognises the growing expertise among CSOs in M&E systems and their ability to undertake cost-effective processes while maximising use of growing M&E capacity of national staff in countries where projects are undertaken.

In relation to DFAT's interest in reducing its administrative load associated with contract management for multiple CSOs, the design team encountered a number of challenges. First, relative costs of appointing an additional DFAT officer to undertake Grant Agreement management tasks for a Fund of this size and nature, or contracting this task to a commercial provider, are difficult to determine. Associated with this, there are different skill sets between DFAT staff and commercial providers. Second, the risk profile changes when a commercial provider enters into Grant Agreements with CSOs which have been selected by DFAT. Under the CS WASH Fund, the risks associated with CSOs failing to deliver expected results or working to acceptable standards, are carried by DFAT, through its direct Agreements with CSOs. If CSOs are expected to work to standards interpreted/determined by a commercial provider, there is potential for a clash of organisational cultures between profit-making and non-profit entities.

The proposed Fund governance and management approaches described above are expected to contribute to managing these issues and risks, but it is possible the FSG will need to navigate a range of emerging and challenging issues in this regard during the life of the Fund. These and other risks are dealt with in the Risk Matrix (Annex 11).

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<sup>106</sup> For example see <http://www.ngo-monitor.org/nm/wp-content/uploads/2016/02/Value-for-money-Part-I-Final-1.pdf>

<sup>107</sup> See the ODE Evaluation of the CS WASH Fund.

## E. Implementation Arrangements

### 9. Implementation

This section details the processes required, including the CSO selection process (Section 9.1), the timetable (Section 9.2), approaches to implementation (9.3), support for project implementation (9.4), the inception phase (Section 9.5), the organisation of the K&L component (Section 9.6), the research component (Section 9.7) and annual planning and approval of changes (Section 9.8).

In summary, CSOs will be expected to demonstrate organisational capacity and include well-founded project concepts in their applications, and will be selected according to clear criteria. Once CSOs' projects are selected, then CSOs will be supported to undertake detailed gender and socially inclusive analysis and planning of each project during a 3 to 6-month Inception Phase. This will maximise alignment with the Program's Theory of Change, frameworks and approaches as well as ensure that project plans are based on sound and detailed contextual analysis. This is both a means to achieve consistent quality and to manage risks associated with multiple implementing organisations. This process also allows for opportunities to develop effective links with respective DFAT Posts to align projects with other Australian aid projects or at least identify areas of complementarity.

The Fund Coordinator's role in providing processes and systems to coordinate and support project implementation are described in Section 10.2. M&E systems and approaches for overall program and project specific implementation are detailed in Section 11.

A key feature of the Fund is its emphasis on the exchange of knowledge and learning (Section 9.5) and sector-specific research (Section 9.7 and Annex 9). This extends the benefits of project-specific and Fund-wide M&E to a higher level. The management of the K&L and research elements will be undertaken by the Fund Coordinator, which will be contracted by DFAT in a parallel process, concurrent to the CSOs selection process.

#### 9.1 CSO application and selection

The main selection process will be held at the beginning of the five-year fund, and CSOs will be required to submit a **capacity statement and concept design** for **each country level project** as well as a statement of **organisational capacity** and approach to WASH programming.

Applications will be invited from accredited and non-accredited Australian as well as non-Australian CSOs which have demonstrated WASH experience, and include the option for applications by consortia. Funding will only be available for activities in countries listed as DFAT's priorities (see list of countries in Annex 1). Those CSOs proposing activities in countries where DFAT has an active WASH program will be encouraged to design activities that align with and/or complement the DFAT WASH program. The WSH Section will seek to facilitate opportunities for CSOs to work with country program areas during the inception phase.

The Selection Panel, comprising two DFAT representatives and three technical experts (that together cover expertise in relation to leading edge WASH, gender and social inclusion and CSO engagement), will assess each proposal against the selection criteria using the assessment guidelines provided in Annex 2. Relevant DFAT posts will be invited to provide comments on the alignment of proposed projects with country plans and these comments will be considered by the selection panel.

#### 9.2 Timetable

Contracting of the Fund Coordinator and CSO selection processes will occur in the first half of 2017-18. Grant Agreements will be signed for new projects to commence early in 2018. In the case that CSOs currently implementing projects under the CS WASH Fund are successful in their applications for funding under the



Water for Women Fund, arrangements should be made to maximise continuity of personnel, momentum and relationships where possible.

Table 3 below summarises events and steps in the implementation process.

**Table 3 Events and Expected Timeframe for Fund**

Event	Expected timeframe
Call for proposals	August 2017
Briefing for potential applicants	August 2017
Final date for submission enquiries	September 2017
Proposal deadline	September 2017
DFAT checks	October 2017
Selection Panel assessment of proposals	October to December 2017
Signing of Inception Phase Agreements	December 2017
Inception workshop for successful applicants	February 2018
CSO design process (development of Project Design Document)	December to April 2018
Signing of Grant Agreements	April 2018
Project commencement	April 2018
Projects completed	December 2022

### 9.3 Approaches to project implementation

Building on Fund-wide approaches, this section focuses on expectations of CSOs in relation to projects. It includes *key elements of contemporary development practice* and the need to *balance a variety of sometimes competing agendas*. These are summarised below and detailed in Annexes 1-6:

#### *Key elements of contemporary development practice*

##### Facilitation and partners

- prioritisation of the building of local ownership and leadership of change processes through participation and engagement
- selection of change agents in each context who have interests, responsibilities and potential to contribute to improvements in sustainable and inclusive WASH, including national and sub-national government, private sector and CSOs generally, as well as those which focus specifically on gender, disability inclusion and other inclusive practices
- consideration of partnerships or links with organisations with roles in other integrated areas (e.g. WRM, climate change and water security, nutrition, health and well-being)
- selection of projects and processes which are consistent with national and subnational priorities

##### Analysis

- use of gender and social inclusion analysis (Annex 3) to ensure gender and social inclusion are mainstreamed throughout design, implementation, M&E and reporting
- other forms of contextual analysis (Annex 4) to inform understanding and identify potential for change
- use of current existing evidence about ‘what works’ and opportunities for innovation

##### Design

- consideration of ways to catalyse change at multiple levels among multiple change agents, addressing key systems and blockages in each context with a clear line of sight to inclusive WASH outcomes
- development of gender and inclusive theories of change, strategy selection and operational planning for each project, based on understanding that projects will be designed to a high standard
- development of gender and inclusive plans which promote iterative and adaptive practices during implementation (to ensure project teams respond to changes in the context, lessons learned from experience, research and other new information)
- use of differentiated strategies matched to relevant regional, country and local contexts
- considered planning for realistic and appropriate resources (budgets, personnel and other contributions), with clear management and decision-making systems (especially when changes appear to be appropriate and may need to be negotiated, based on sound evidence and communicated, within an iterative and adaptive implementation approach) and realistic partnership and networking processes
- prioritisation of the sustainability of project outcomes and the increased SDG challenge of delivering safe water and safely managed sanitation (not just access to basic/improved)
- definition of approaches to identify and manage risks in the design ToC, the management approach and the national context/enabling environment
- collaborative development and implementation of M&E processes, using contemporary approaches which prioritise evidence-based, iterative and adaptive practices<sup>108</sup> (such as strategy testing<sup>109</sup> and action learning<sup>110</sup>).

### ***Balanced approach to implementation***

Experience of aid programs more broadly and CS WASH Fund in particular, suggests the following ‘balancing acts’ may be necessary for project implementation (as well as Fund-wide oversight):

**Table 4. Summary of “balancing acts” relevant to Water for Women Fund**

Balancing both	Requires considered effort to both....
<b>Use of good practice/proven methods and innovation</b>	<ul style="list-style-type: none"> <li>• applying lessons learned from previous experience and existing evidence in gender and social inclusion and WASH</li> <li>• seeking innovative ways to address current and emerging issues</li> </ul>
<b>Balancing top-down and bottom-up approaches to project design</b>	<ul style="list-style-type: none"> <li>• keeping the Fund ToC in mind while selecting potential areas of focus</li> <li>• facilitating designs and plans based on participatory processes</li> </ul> <p>AS WELL AS:</p> <ul style="list-style-type: none"> <li>• maximising alignment of project plans with the program’s approaches</li> <li>• maximising ownership of the change agendas by local stakeholders</li> </ul>
<b>Balancing detailed planning during the design phase and responsiveness to</b>	<ul style="list-style-type: none"> <li>• detailed planning at project level based on thorough contextual analysis, particularly in relation to existing development strengths (in capacity, systems, knowledge etc.), power relations and partnerships, gender and social inclusion and other influences on WASH</li> </ul>

<sup>108</sup> See for example <https://www.bond.org.uk/resources/adaptive-management-what-it-means-for-csos>

<sup>109</sup> See for example <https://asiafoundation.org/resources/pdfs/AnInnovativeApproachtoMonitoringHighlyFlexibleAidPrograms.pdf>

<sup>110</sup> See for example <https://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/188.pdf>

<b>change during implementation</b>	<ul style="list-style-type: none"> <li>• use of adaptive and iterative approaches to respond to changes in the operating environment and lessons learned during implementation</li> </ul>
<b>Balancing partnerships with existing organisations and broadening collaboration</b>	<ul style="list-style-type: none"> <li>• working within existing partnerships and stakeholders in each context</li> <li>• maximising impact through working with others (leaders, organisations, networks) with interests, responsibilities and potential to contribute to improvements in sustainable and inclusive WASH</li> </ul>
<b>Balancing technical and ‘political’ approaches</b>	<ul style="list-style-type: none"> <li>• application of technical responses (good practice) to development issues, based on literature, experience and feasibility assessments</li> <li>• using political economy analysis to both deepen understanding of the types of issues (e.g. leaders/power, values, systems) which can unleash or block change processes and skills to facilitate positive changes</li> </ul>
<b>Balancing culturally-respectful and behaviour change approaches</b>	<ul style="list-style-type: none"> <li>• understanding connections between social and organisational cultural values in each context and the behaviour of people and communities, the influence of cultural values on how change is understood and how it happens, as well as scope/nature of potential change in each context</li> <li>• seeking opportunities to engage change agents in discussions about changing values and behaviours particularly in relation to gender and social inclusion and use of WASH services</li> </ul>
<b>Balancing contractual and partnership ways of working</b>	<ul style="list-style-type: none"> <li>• acknowledging the importance of meeting agreed commitments and compliance with agreed standards and policies</li> <li>• recognising and maximising the value of partnership approaches and a commitment to ongoing ‘health-checks’ of partnerships to maximise the quality of working relationships</li> </ul>
<b>Balancing accountability and learning aspects of M&amp;E</b>	<ul style="list-style-type: none"> <li>• acknowledging the importance of accountability to communities and other project stakeholders and funding sources</li> <li>• recognising the value of continuous learning and rarely a ‘single, right answer’ to address development issues</li> </ul>
<b>Balancing Fund-wide ToC and project-specific ToCs</b>	<ul style="list-style-type: none"> <li>• Regular reflection by each CSO, DFAT and the Fund Coordinator on how each project remains relevant to the broader Fund ToC</li> <li>• Focused attention on delivering high quality projects and maintaining close attention to changes in the context and lessons learned which may influence the likelihood of changes in the project level ToC</li> </ul>
<b>Balancing attention on gender and social inclusion and WASH processes/outcomes</b>	<ul style="list-style-type: none"> <li>• Constant attention to the interaction between both sets of processes and outcomes at all stages of each project’s implementation</li> <li>• Consideration of and incorporation of new learning about gender and socially inclusive and WASH approaches as appropriate</li> </ul>
<b>Balancing attention to project delivery and contributing to</b>	<ul style="list-style-type: none"> <li>• Allocating sufficient resources (including personnel, management support, time, networks, professional development, financial and IT support) to maximise the quality of project management and particularly monitoring processes</li> </ul>

<b>broader knowledge and learning</b>	<ul style="list-style-type: none"> <li>• Allowing time and personnel attention to contributing to and incorporating benefits of access to Fund-wide knowledge and learning</li> </ul>
<b>Balancing ambitious targets and realistic expectations of what is possible</b>	<ul style="list-style-type: none"> <li>• Maximising the opportunities afforded by the availability of 5-year funding to achieve the kinds of sustainable and high level changes not normally possible in short-term interventions</li> <li>• Recognising that aid projects are not the only influence on how change happens and benefits may be sustained in complex contexts, and that other influences may be positive and negative, unpredictable and outside the control of project implementers and funders</li> </ul>
<b>Balancing a good degree of risk management with innovation</b>	<ul style="list-style-type: none"> <li>• Ensuring risks are defined and addressed, covering risks in proposed approaches, management and national context/enabling environment</li> <li>• Identifying opportunities for new ways of working, new ways of using existing and available resources and new technology without putting the lives of people and communities at risk</li> </ul>

All Fund implementers are expected to give their best effort to find appropriate balances to the ‘polarities’ described above, with a dominant focus on maximising contributions to gender and socially inclusive WASH outcomes. Broader literature on effective organisations recognises that it is in the process of balancing these multiple elements, where the best learning is expected to be generated<sup>111</sup> so the Fund’s K&L and research elements may well find value in these balances.

#### 9.4 Support for project implementation

Several options were considered by the design team to maximise project quality during implementation and thus contribute to Fund-wide outcomes, including:

- Option 1: Provision of three full-time specialist experts in WASH, gender and social inclusion and M&E within the Fund Coordinator, to both facilitate shared approaches and provide advice for CSOs and DFAT on demand (similar to the MERP’s technical contributions during CS WASH Fund on WASH) and generate evidence of the benefits of the Fund’s approaches
- Option 2: Support for peer-learning processes among CSOs whereby the pool of experts involved in project implementation at national, regional and Fund-wide levels share learning and contribute expertise to each other’s organisations
- Option 3: A mix of option 1 and 2, whereby CSOs are encouraged to share technical expertise plus GESI, WASH and M&E specialists are included within the Fund Coordinator at varied levels of engagement, subject to review.

In recognition of the expertise in CSOs, importance of Fund-wide approaches, efficiency and value for money considerations, **Option 3** is recommended. This means that both CSOs themselves will need to commit to participating in and benefiting from peer-learning (particularly through the K&L component) and also the Fund Coordinator will be expected to provide the following (or equivalent depending on the skills mix of relevant personnel):

- support a peer-based learning exchange between CSOs
- appoint a GESI Specialist (full-time initially for up to three years, and then for short-term inputs for remainder of the Fund)

<sup>111</sup> Laloux, F 2014 Reinventing organisations Nelson Parker

- appoint a full-time M&E Specialist for the life of the Fund
- appoint a WASH Specialist for short-term inputs over the life of the Fund.

These arrangements are subject to review by the FSG and DFAT.

#### 9.5 *Inception Phase (for design and approval of activities)*

Once CSOs have been selected and inception phase Grant Agreements have been negotiated and signed between the successful CSOs and DFAT, a 3-6-month Inception Phase will commence. Details of this phase are included in Annex 5, and in summary include the following **processes**:

- organisation of a 5-day Inception Workshop approximately 2 months after CSOs are contracted, so they can share progress on analysis to date and benefit from specialist inputs as they develop and prepare Design Documents (see Annex 6 for format), particularly on integrating gender and social inclusion analysis and other forms of analysis into detailed operational plans; undertaking political economy analysis; and development of M&E plans which link with the Fund-wide performance framework
- engagement with DFAT Posts to maximise alignment
- peer assessment of projects by CSOs or assessment by external specialists
- approval by DFAT (WSH Section will coordinate Post inputs).

The experience of the CS WASH Fund confirms that dedicated resources and adequate time for CSOs to undertake detailed design processes is one of the key contributors to program-wide and individual project effectiveness as well as overall Fund efficiency.<sup>112</sup> When good quality analysis is undertaken and when there are adequate resources for effective participatory planning processes, then CSOs have a better chance of understanding what is possible to achieve in each context, who best to work with and what measures of success are most relevant. This reduces risks associated with project implementation.

At the end of the Inception Phase, each CSO is expected to have **produced** a full Project Design Document (PDD) (Annex 6). These PDDs will be assessed and approved by DFAT and then CSOs will negotiate partnership-oriented Grant Agreements with the Fund Coordinator.

#### 9.6 *Knowledge and learning component*

Knowledge and learning is a key priority in the Fund, based on the demonstrated value of this emphasis in previous Funds and the added value it provides as regards effectiveness, external profile and public diplomacy. The first CS WASH Fund included a small-scale learning component that comprised regional learning events and documentation of key approaches. Building on its success and lessons learnt,<sup>113</sup> the second, current CS WASH Fund allocated further dedicated resources to this area. The approach included maintaining regional learning events, and expanding e-communication to share evidence, and nominating a dedicated staff member to oversee this element (Knowledge and Learning Manager- KALM).<sup>114</sup> This process has generated lessons and experience which have informed the design of the K&L component for Water for Women, and are described further in Annex 8.

Water for Women will continue to strengthen quality knowledge generation, active participation and engagement with new evidence, and uptake and use of new evidence both amongst CSOs within the Fund,

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<sup>112</sup> Over 500 change-frames were developed, considered and approved by the CS WASH Fund Management Facility and DFAT in the first half of the CS WASH Fund, a large proportion of which reflected the identification of new information about the contexts for projects and changes in exchange rates. The extent of this administration should be reduced in the new Program, to increase efficiency and focus more attention on important aspects of development processes.

<sup>113</sup> WaterAid Australia, Learning Fund Report, September 2011

<sup>114</sup> CS WASH Fund Design Document

and amongst a wider set of stakeholders, including other CSOs, national stakeholders in relevant countries, and global WASH actors. The K&L component comprises:

- A dedicated KALM responsible for supporting quality CSO knowledge outputs and outcomes within CSO programming; management of small grants; working jointly with any M&E staff or function to facilitate interlinkages; drawing on GESI and WASH specialist expertise; planning and management of learning events; contribution of material towards public diplomacy efforts
- Innovations and Impact Fund (I&I Fund) comprising small grants of either up to \$50,000 or up to \$200,000 (with differing requirements) which will be made available to support the piloting of innovations by individual CSOs, impact evaluations, or other related valuable learning activity (consortiums are also eligible). Larger scale grants will be undertaken in collaboration with recognised research organisations (organisations with a track record of WASH related research). (detailed further in Annex 8)
- Knowledge sharing and learning: This will be supported and encouraged through Regional Learning Events; Webinars; Website and other relevant internet based forums (e.g. e-discussions); contribution to global and regional conferences; Support for peer-learning and coordinated CSO-led learning activities.<sup>115</sup>

Refer to Annex 8 for full details of this component.

#### *9.7 Research component*

The scope of a \$10.6 million Research Component (WASH Research Awards) will include both broader, longer-term WASH research addressing key research gaps in Asia Pacific; and research that is closely linked to CSO implementation. This component will support applied research, particularly research that crosses disciplines. The research awards will be offered on a competitive basis, with a robust selection process that includes an independent peer-review process as well as a Research Selection Panel.

The Research Component is expected to contribute directly to Outcome 4 in the Fund Theory of Change, concerning strengthened use of new evidence, innovation and practice in sustainable gender and inclusive WASH by other CSOs, national and international WASH sector actors, with the intention of improving policy and practice.

Consultation with a wide range of national and international organisations has identified a number of key research priorities against which requests for proposals will be made. These include specific topics in relation to the intersection between gender and social inclusion and WASH, as well as a broader set of research gaps in the region. The research awards will incentivise strong engagement with research end-users as part of research processes, and will include research capacity building through partnership with in-country research organisations. End-users of the research are expected to include DFAT, partner governments at national or subnational levels, private sector, CSOs or other stakeholders such as multilateral development banks. For grants focused on CSO implementation, one or more CSOs (within or outside the Fund) will be partners in the research.

Structured integration with the K&L Component will be established through involvement of research representatives on the K&L Advisory Group, and active contribution of researchers to Fund K&L activities such as online discussions, webinars and the regional learning events, as well as the biennial WASH conferences. Performance assessment will go beyond measuring academic merit and include other aspects,

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<sup>115</sup> For research on the most effective and preferred communications modes and knowledge products for the WASH sector, please see: Grant M., Murta J., Willetts J., Carrard N., (2016) Civil Society Organisations' Learning for Impact in Water, Sanitation and Hygiene Programming: <http://www.cswashfund.org/shared-resources/references/report-csos-learning-impact-wash>

including active engagement and sharing of findings throughout the research processes, the usefulness and quality of research capacity building, how research was used and its outcomes, and contribution to global WASH sector discourse, policy and practice.

Further details on the Research Component are provided in Annex 9.

#### *9.8 Annual planning and approval of changes*

CSOs will be provided with funding for Year 1 of project implementation once Grant Agreements are signed. Subsequent annual funding will be provided up front, on the basis of satisfactory progress, documented in 6-monthly reports, satisfactory acquittals, and the approval of the next Annual Plan.

During the CS WASH Fund, CSOs encountered major exchange rate variations, which adversely affected many projects and created considerable work in negotiating and revising project plans. While exchange rate variations cannot be predicted, in the Water for Women Fund, effort should be made to reduce the workload associated with changes. For this reason and other Fund efficiency reasons, CSO Grant Agreements will require changes to be approved only if there is a 20% variation in category level costings (not individual budget lines), as a result of lessons learned during implementation, changes in the operating environment and new ideas generated through Fund-wide learning.

## **10. Roles and Responsibilities in Fund and project implementation**

#### *10.1 DFAT Canberra and Posts*

DFAT's WSH Section will oversee the Program, liaise on policy issues with other DFAT sections and with global networks such as those described in Section 1. Its role will include:

- strategic engagement with CSOs on project implementation progress, learning and contribution to project and program outcomes, taking a partnership approach
- co-Chair of the Program Steering Group (see details in Section 10.2) including facilitation of negotiations with members to agree on detailed responsibilities and regular reviews of the Group's relevance, roles and ways of working
- engagement with and performance management of the Fund Coordinator
- engagement with relevant posts (including to breadth of relevant possible staff, which may include those responsible for policy or programming in water, health, gender, governance or other areas)
- contracting processes for the Independent Review Team under one contract.

Other DFAT sections with responsibility for Gender and social inclusion policies and bilateral/regional aid programs in inclusion and WASH will play the following roles:

- communicating relevant policy and programming information to the WSH Section
- reviewing CSO proposals about proposals in terms of relevance, alignment and progress as appropriate
- receiving reports on relevant issues
- supporting public diplomacy efforts
- promoting learning about inclusive WASH to other relevant stakeholders, as appropriate.

DFAT's Posts can play an important role in supporting the Fund and its ability to contribute to development outcomes in each country. The experience during the CS WASH Fund was that some Posts played an active role in engaging with CSO activities and in those countries, the benefits were mutual and the likelihood of alignment and relevance was maximised. In this Fund, Posts will be encouraged by WSH Section to engage early with the selection process by providing comments on alignment with other bilateral or regional



activities. Once CSOs are selected, effort will be made by WSH Section to maintain good working relations between the CSOs and Posts during implementation. As appropriate, posts may be engaged during the inception phase to ensure alignment and/or complementarity of relevant CSO programs to other programming. The Fund Coordinator will provide WSH Section with regular information about Fund progress as well as material suitable for public diplomacy purposes, and WSH Section will communicate with Posts on this and other points of interest and potential benefit to Posts.

In summary, DFAT Posts (in countries where Fund projects will be implemented) will:

- maintain contact with Fund project personnel from CSOs
- share relevant information on other gender and socially inclusive WASH activities or related processes through cables and other means
- respond to information from WSH on information relevant to the Fund
- where possible, leverage relationships and bilateral programs to promote the work of the Fund, and draw on Fund implementation and outcomes for public diplomacy purposes.

## 10.2 Managing Contractor for Fund Coordination

Once the Fund Coordinator (a managing contractor<sup>116</sup> or consortium) has been selected and contracted through an open tender process, they will commence supporting the Fund's implementation. Table 5 below includes key responsibilities (Position Descriptions are at Annex 10, a draft Statement of Requirements is provided at Annex 13.

**Table 5 Key responsibilities for Fund Coordinator**

Area of Fund	Key responsibilities
<b>Fund Governance and overall management</b>	<ul style="list-style-type: none"> <li>• Supporting DFAT to establish FSG</li> <li>• Providing secretariat support to the FSG</li> <li>• Support a partnership approach, including organising and participating in an initial facilitated 'ways of working' meeting with all CSOs and DFAT (with Partnership Facilitator), followed by regular revision of 'ways of working' approaches<sup>117</sup></li> <li>• Managing the risks associated with DFAT's decision for grants to be made to CSOs</li> <li>• Communications with DFAT</li> <li>• Development and implementation of a Fund Communications and Public Diplomacy Strategy</li> </ul>
<b>CSO selection, support and grant management</b>	<ul style="list-style-type: none"> <li>• Facilitating CSO selection processes as required.</li> <li>• Facilitating processes to support selected CSOs to design, implement and monitor projects to agreed standards</li> <li>• Negotiating and administering partnership-based Grant Agreements with CSOs, making payments and supporting quality assurance by initiating and managing supportive processes to enable CSOs to undertake projects to agreed standards</li> <li>• Supporting CSOs to make changes required during the life of the projects in response to changes in the environment, the approaches used and emerging lessons</li> </ul>

<sup>116</sup> The Fund Coordinator could constitute a for-profit, or not-for-profit entity

<sup>117</sup> This builds on the experience of the CS WASH Fund in which DFAT, a Fund Coordinator and CSOs have learned to work effectively together. It shifts away from a 'master-servant' relationship inherent in traditional contracts to more of a collaborative partnership arrangement, recognising the value of diverse contributions, working with diverse frames of reference and maximising the potential for achieving benefits beyond initial plans and expectations.

	<ul style="list-style-type: none"> <li>• Facilitating approval processes required at budget level for CSOs, when changes exceed 20% of planned high level budget categories (i.e. not individual item budget lines)</li> <li>• Facilitating approval processes required for significant changes in approach, overall scope or expected outcomes (i.e. not changes in expected tasks and activities)</li> <li>• Negotiation and finalisation of variations to Fund agreements, following DFAT approval</li> <li>• Ensuring adherence to DFAT principles and policies and grant agreement with the Fund Coordinator</li> </ul>
<b>GESI and WASH</b>	<ul style="list-style-type: none"> <li>• Contributing to strategic direction of the Fund in achieving its aims</li> <li>• Supporting the gender and social inclusion elements of the Fund</li> <li>• Supporting implementation of strategic, effective WASH strategies</li> <li>• GESI input to research projects as regards gender and inclusiveness</li> <li>• Engagement of WASH and GESI specialists in both M&amp;E and K&amp;L components to support synthesis and Fund-Level learning, documentation and outputs</li> </ul>
<b>K&amp;L Component</b>	<ul style="list-style-type: none"> <li>• Leading the K&amp;L component, including learning events, I&amp;I grants, maintaining a Fund website for sharing information among CSOs and communicating to the public and producing high quality products on gender and inclusive WASH and other gender and social inclusion outputs of the Fund, planning and supporting public diplomacy efforts and ensuring linkages to Fund M&amp;E</li> </ul>
<b>Research grant administration</b>	<ul style="list-style-type: none"> <li>• Negotiating and administering partnership-based Grant Agreements with research organisations, providing performance management and facilitating links to K&amp;L Component</li> </ul>
<b>M&amp;E</b>	<ul style="list-style-type: none"> <li>• Developing the Fund performance arrangements, including refining the performance assessment framework (during inception) and reporting</li> <li>• Collating, synthesising and sharing of information (about the Fund, about information to support continuous improvement of project implementation and about individual projects and wider K&amp;L functions)</li> <li>• Receiving and reviewing 6-monthly progress reports and financial acquittals from CSOs</li> <li>• Maintaining a Fund online management system (such as smarty grants) with information on: <ul style="list-style-type: none"> <li>○ Each CSO</li> <li>○ Each project design</li> <li>○ Progress</li> <li>○ Contribution to Fund-wide outcomes</li> </ul> </li> <li>• Preparation of fund-wide reports on progress as well as country-specific summaries (if multiple CSOs operate in one country)</li> <li>• Conduct selected project site visits for monitoring and learning purposes (by M&amp;E, K&amp;L, GESI or WASH staff as appropriate)</li> <li>• Preparation of partner performance assessments to suit DFAT requirements, as negotiated with CSOs</li> </ul>

	<ul style="list-style-type: none"> <li>• Liaison with DFAT WSH on progress of overall Fund and CSO project implementation and quality assurance</li> </ul>
<b>Administration</b>	<ul style="list-style-type: none"> <li>• Administration of Fund finances and preparation of invoices</li> <li>• Performance management of Fund Coordinator Advisors including annual Adviser Performance Assessments</li> </ul>

The Fund Coordinator will be expected to provide DFAT and CSOs access to specialist personnel in WASH and gender and social inclusion and M&E (as negotiated), as approved by DFAT and within agreed financial scope, during the life of the Fund- these roles will support M&E and K&L functions in their respective specialist areas. An M&E Specialist will have specific responsibilities associated with a Fund-wide information system, synthesis and reporting about Fund-wide issues, findings and progress, as well as the role of responding to requests for advice on M&E systems from CSOs, over the life of the Fund. The Fund Coordinator will also provide leadership of the Fund-wide knowledge and learning function and external communications at the Fund level.

The approaches used by the Fund Coordinator are particularly important to the quality of relationships and the nature of this Fund, although of course all parties are responsible. The nature of CSOs, as implementers of the Fund, and the differences among CSOs themselves and between CSOs and contractors, need to be taken into account. Expectations about some aspects of project management need to reflect the fact that CSOs are independent organisations with their own dominant organisational values, priorities, management styles and approaches. DFAT has chosen to implement the Fund through CSOs, both for their specific benefits and their relatively low cost, and seeks to maximise the benefits of this approach. As the Fund is emphasising a partnership approach it is expected that all parties will take responsibility for meeting their obligations under their Fund Contracts. The CSO will provide timely and accurate advice on progress and financial issues as agreed and the Fund Coordinator will provide timely advice and support on CSO requests, and avoid adding to the reporting burden beyond those initially agreed, except in the case of mutually agreed changes, and with timely resolution of financial changes.

Mediation processes to support quality partnerships generally require specialist facilitators. DFAT may seek such inputs<sup>118</sup> from time to time, both to promote effective ways of working at the outset and to resolve challenges over the life of the Fund. Besides the establishment of 'ways of working' during inception, a review of these and other matters arising is expected to be undertaken by the FSG with support from a partnership broker prior to the mid-term review.

### 10.3 *Selected CSOs*

CSOs, following selection according to the process described in Section 9.1 and an inception period, will negotiate Grant Agreements with the Fund Coordinator. Overall, CSOs will be expected to play the following roles:

- project management, including design, implementation, M&E and reporting, at head office and field office levels, including support for in-country implementation teams
- participate in knowledge and learning exchange events and processes
- balance various elements of inclusive WASH practice (Section 9.3)

<sup>118</sup> DFAT has invested in in-house partnership brokering skills development in recent years and has good links with the Partnership Brokers Association to source specialists when required.

- support a partnership approach, including with DFAT, Fund Coordinator and other CSOs
- collaborate with other CSOs in the Fund, including peer support as negotiated
- contribute to and participate in Fund-wide M&E systems, including supporting project site visits by Fund Coordinator (Section 11)
- maintain good working relationships with partners and government officials as well as other WASH stakeholders in countries where projects are implemented
- maintain good working relationships with DFAT WSH and Posts
- run and contribute to public diplomacy efforts in collaboration with DFAT WSH and Posts
- maintain good working relationships with and information flows to the Fund Coordinator
- contribute to the Fund Steering Group
- contribute to Fund wide reports.

## 11. Monitoring and Evaluation system

This section describes the principles, approaches, arrangements and systems to monitor progress and evaluate performance and outcomes of the Fund. It also details resources and related arrangements to support appropriate and effective M&E at the Fund level and for individual projects.

### 11.1 *Previous arrangements under the CS WASH Fund*

The CS WASH Fund included three M&E specialists (MERP) employed part-time over the life of the Fund to play the following roles with an ethos of ‘developmental evaluation’:

- support develop of operational plans and development of individual CSO ToCs
- define performance assessment arrangements (performance framework and indicators and performance questions)
- reporting arrangements and templates and tools
- support to build CSO analytical capacity – approach mapping, strategy mapping and context mapping
- support key Fund priorities to be given emphasis (e.g. enabling environment and gender and social inclusion)
- monitoring trips (including feedback on project-level theories of change, critical questioning, inputs to improve programming)
- individual project feedback on all progress reports
- produce Fund wide reports
- ensure CSO M&E frameworks and key performance indicators and performance questions align with Fund M&E framework
- ensure that appropriate baselines are established against which projects can be assessed.

The developmental evaluation approach has involved the provision of mentoring and support to improve program coherence, quality of implementation, improved focus on key Fund priorities (for example, gender and social inclusion), analytical and critical thinking skills and M&E advice. In cases of under-performance, the MERP have both provided ongoing support to the relevant CSO and as needed, have referred issues to the Fund Manager and DFAT. The MERP has been responsible for reviewing and approving ‘change frames’ for CSO implementation, required by the current DFAT contracting requirements. The ODE evaluation and design consultations with CSOs confirmed that these roles have been valuable and appreciated by the majority of CSOs.

The MERP developed an on-line project reporting tool (PRT) and information system able to provide up-to-date information to a variety of stakeholders within DFAT and the CSOs. The PRT is based on the CS WASH Fund Performance Assessment Framework. There is recognition that there are both strengths in the current

approach that should be retained in the new Fund, as well as agreement that a lesser quantity of data should be required from CSOs and synthesised at Fund-level. It is therefore recommended that during inception, a process to draw on current strengths of this system (and revise those aspects no longer needed) is carried out by the Fund Coordinator.

### *11.2 Principles and approaches*

Consistent with the broader Fund principles and approaches and in response to lessons learned from the CS WASH Fund, M&E for this Fund will be undertaken in ways that reflect the following:

- shift towards greater responsibility by CSOs for quality M&E processes at project level with relatively reduced (though not absent) oversight, feedback and support
- reduction in the quantity of M&E information generated at Fund level to focus on selected performance questions and essential indicators, recognising that there will be other means for generating and exchanging information across the Fund (including K&L and research components)
- emphasis on M&E systems which support adaptive, iterative and evidence-based project management, while retaining the importance of strong project planning. Through this process, similar to the CS WASH Fund, CSOs will be encouraged to make changes to their delivery plans on the basis of emerging information about effectiveness of their approaches, changes in the operating environment and learning from others in the Fund (and other sources)
- continued emphasis on the use of M&E approaches and tools which are culturally-appropriate and specifically designed to be inclusive of all potential stakeholders, particularly those who may use assistive devices, communicate through sign language or have limited mobility to attend meetings and events
- use of relevant M&E tools by CSOs to suit the specific outcomes and processes included in their projects (for instance to monitor changes in organisations capacity, or population-wide tools) and to reflect on and evolve and improve these tools during the life of the Fund
- continued use of a developmental evaluation approach, facilitated through selected project site visits and, as needed, selected review and feedback on project level reporting and planning

### *11.3 Performance framework*

A Fund-level Performance Assessment Framework (PAF) is in Annex 17. This PAF includes performance questions and indicators at the Fund level that are aligned to the ToC described in Section 5. The PAF lists a limited number of Fund-wide questions and essential indicators to reflect the principles above, the resources available and the priorities at Fund level. If deemed necessary, the PAF will be refined during the inception period (for instance to account for particular emphases of CSO projects). During any refinements, the WASH specialist will provide inputs concerning implementation of the SDG measures within the Fund PAF, and the GESI specialist as regards GESI-related measures

The sources of information to report against the PAF start with the CSO project-level M&E systems which then inform CSO project reporting (and similarly for research organisations). CSO project reporting will be collated and synthesised at Fund-Level by the Fund Coordinator, generating Fund-wide summaries and outputs tailored for different audiences (eg DFAT WSH and desks/posts, FSG, Independent Review Group etc.). In addition, the Independent Review Group will make periodic assessment against the PAF. Reporting cycles for CSOs (and subsequent synthesis from Fund Coordinator) will be aligned to DFAT's needs, such as more substantial reporting on an annual basis will be in December, and reduced requirements in June.

### *11.4 M&E arrangements*

Aspects of M&E will be shared across different actors as follows. These roles and responsibilities were decided on the basis of significant discussion and consultation (see Section 11.5 below):

- **Project-level** M&E undertaken by CSOs
- **Fund-level** M&E by Fund Coordinator
- **Independent evaluation** by an Independent Review Group (IRG)

Each M&E role is elaborated further below.

### **Project level**

All CSOs will be expected to collect information against the PAF and report on this on a regular basis. For CSOs to provide quality information against the PAF from a sound evidence base, they will need to incorporate data collection methods for both those Fund-wide questions as well as implement other project-specific elements of their M&E frameworks. These will be developed during the Inception Phase, including collection of appropriate baseline information.

CSO responses to Fund-wide performance questions should be underpinned by both quantitative and qualitative data. To support this, as well as to support the tailoring of CSO M&E systems to a CSO's specific project, a range of additional optional performance questions and indicators is included in Annex 18, and a range of M&E methods for gender and social inclusion are provided in Annex 3. The material presented in Annex 18 and Annex 3 can assist CSOs in their design processes and in the development of M&E systems for individual projects, maximising alignment with the overall Fund ToC. CSOs are not required to use these specific indicators in Annex 18 if they are not relevant, and may also change or adapt indicators or questions as applicable to their context and project.

CSOs will need to ensure the required M&E capacity and skills. Some performance questions will require dedicated M&E resources, high quality approaches to data collection and analysis and high quality information systems, some of which may be in addition to regular CSO processes and capacity. For example, the skills and approaches needed to generate information about changes in capacity in sub-national organisations, or the extent of changes in gender equality may be beyond what CSOs normally monitor and report on. Any specialist resources required for this kind of analysis will need to be included in project budgets. CSOs are encouraged to work collaboratively with M&E specialists, including those with specialist skills in inclusive M&E processes, in the country in which projects are implemented, as a means of both generating culturally relevant information and contributing to sustainable capacity benefits beyond the WASH program. In addition, they can access support from the M&E Specialist located in the Fund Coordinator and/or from the GESI or WASH technical specialists.

The reporting format will draw from the strengths of the existing reporting tools and encourage CSOs to identify changes that should be made to their project approach, scope and targets as a result of changes in the environment, lessons learned in the context and other emerging sources of information (including from K&L processes and Fund-related and other research findings).

### **Fund level**

The Fund Coordinator will be responsible for Fund-level M&E (and its links to K&L at Fund level). This function will include:

- provision of M&E guidance to CSOs to maximise the ability of project-specific M&E systems to generate useful, high quality and valid information,<sup>119</sup> including on-demand support to CSOs as regard their project-specific M&E systems
- provision of project reporting format (PRT), building on strengths as well as learning from CS WASH Fund, and designed to ensure required information against the Fund PAF
- regular compilation and synthesis of CSO-generated information (6 monthly) to tell an ongoing 'Fund-wide story' for DFAT and FSG and to facilitate Fund-level learning from M&E information, drawing on GESI and WASH expertise to support synthesis in these areas
- selected project site visits for monitoring and learning processes by the Fund Coordinator, including verification of reported outcomes by CSOs

The appointed M&E Specialist will have particular strengths in building collaborative partnerships with CSOs and in undertaking M&E across different scales, supporting diverse ways of working in development and encouraging contemporary approaches, particularly those that promote evidence-based, adaptive and iterative practice, and strong skills in online information management. It is expected that the Fund-level M&E specialist will work in a team-based environment with the WASH and GESI and K&L roles to maximise opportunity for learning, both in terms of feedback to project-level, and learning at Fund-level that draws on M&E data.

### **Independent evaluation**

Independent evaluation will be undertaken through periodic review of the overall Fund by the IRG, including reviewing the management arrangements and their value-for-money, as well as progress in achievement of Fund outcomes. The IRG team members will be appointed by DFAT independently (as a two person team) to undertake three reviews (including one mid-term review), with the first major review undertaken in late-2018.

Each review is expected to have different focus or emphasis, depending on the most relevant needs at the time. Across three reviews the IRG will:

- develop a Review Plan in consultation with DFAT and FSG to identify current issues, the review's focus and methods
- review, extract and synthesise documented information available across the Fund (provided by the Fund Coordinator) and use a mix of other evaluation methods to generate information relating to:
- overall Fund management processes and particularly partnership arrangements and value-for-money of these arrangements
  - progress against PAF performance questions and indicators to date and towards Fund-wide outcomes
  - lessons learned and priorities for the subsequent period.

#### **11.5 Contracting/reporting arrangements**

The ODE evaluation of the CS WASH Fund's management arrangements recommended that 'the Fund's monitoring and evaluation system should include arrangements which ensure the Fund's management costs can be justified.' Based on Section 11.1, the design team considered various options for Fund-wide M&E (discussed below) including:

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<sup>119</sup> This is particularly with respect to performance questions, which are a key part of the Fund performance assessment framework, and which will require clear guidance to ensure high-quality evidence-based responses of sufficient depth and detail



- Option 1: Maintaining current arrangements, whereby all 4 separate groups (CSOs, Fund Coordinator, MERP and DFAT) are involved in generating, assessing and responding to M&E information
- Option 2: Placing all M&E support and assessment responsibilities within the Fund Coordinator, alongside the Fund coordination, K&L and research management roles
- Option 3: Splitting roles, so that the mix of M&E responsibilities, incentives and costs better match the nature and scope of the Fund.

As noted above (Section 11.1), current arrangements under the CS WASH Fund operate through three separate part-time contracts for individuals. The quality of work undertaken by the MERP has been highly regarded and the generation of M&E reports and topic-specific notes has been widely valued. The ODE Evaluation noted the relatively high costs associated with this arrangement, including in time and funding. Duplication of assessment processes and the generation of substantial quantities of information, which could not be readily used or applied more broadly were raised as limitations during the design of Water for Women.

The idea of locating all M&E processes within the Fund Coordinator has the benefit of maximising interaction between K&L and M&E processes as well as reducing double-handling of reports, and supports a similar on-going, consistency to the Fund-level M&E that was noted as effective by CSOs and other stakeholders as regards the previous MERP arrangement. It also reduces contractual management responsibilities for DFAT's WSH Section. However, there is a risk that the differences between commercial contractors and CSOs in relation to organisational incentives, cultures and drivers, particularly in relation to performance systems and risk management, could negatively affect Fund-wide M&E-based relationships and responsibilities. There is also a risk of lack of independence of the Fund Coordinator in Fund-level M&E, given the incentive to demonstrate good performance.

Hence, while there is value in the Fund Coordinator being responsible to provide demand-led support on M&E and synthesising M&E reports to create Fund-wide progress information, the design team recommends that a separate IRG be appointed to both assess the overall quality of the Fund in outcome-terms as well as the quality of management and relationships within the Fund. The latter elements recognise that an important feature of this Fund is the interaction between multiple organisations around common themes, and that independence is important to assess the quality of relationships and management systems.

The third option – a splitting of M&E responsibilities between some which sit within the Fund Coordinator and a small number of which sit with an independent group (not full-time) - is recommended. This option is consistent with the Fund's principles and approaches, reflects the shifting focus to greater responsibility by CSOs for reporting and recognises DFAT's interest in strategic-level engagement about Fund-level progress and project achievements. This option also provides the opportunity for thorough evaluation of the progress on gender equality and social inclusion beyond WASH which is such an innovative and unique feature of this Fund.

## 12. Sustainability

Sustainability of WASH services is a critical issue globally and concerted effort is needed at all levels to maximise the likely continuation of increased access to and use of all services. Approaches to support sustainability of project outcomes have therefore been embedded throughout the design through multiple strategies that operate at multiple levels.

Features included in this design to maximise sustainability include:

- **Sustainability of project outcomes overall:**
  - The Fund time-frame of 5 years is expected to be a realistic window in which strategic action and sustainable capacity building efforts can take place to support outcomes that will be sustained into the future.
  - Explicit inclusion of a section on 'sustainability' within CSO Project Design Documents that will be prepared during inception phase, including sustainability risks, opportunities and actions
  - The inclusion of the K&L component, which will contribute to shared learning and evidence on many areas. In particular, it is proposed that 'sustainability' continue to be a key area of learning and reflection (as it was in CS WASH Fund), including an emphasis on what it means to create and sustain outcomes 'at scale'.
  - Expectation that DFAT will commission a study that will investigate sustainability outcomes of selected projects of the two previous CS WASH Funds (2009-2011 and 2012-2016). The learning from such a study can inform the evolving strategies of selected CSOs in this Fund.
  - Buy-in from in-country stakeholders has been deemed a high risk in the design, and hence will be given effort and attention within the Fund's M&E arrangements
- **Environmental sustainability:**
  - Recognition of the interconnection between inclusive WASH and other the wider context of the water cycle, including WRM and climate change impacts and related mitigation strategies. All projects are required to consider these cross-sectoral areas.
  - Inclusion of a focus on '*safely managed*' standards for access to water and sanitation (as per indicator definition in Outcome 2, drawn from the SDGs) will directly improve environmental outcomes, particularly in the case of sanitation, since it extends the focus to include how and where faecal matter enters the environment and protecting against the related environmental and health risks through attention to safe disposal and/or reuse.
- **Sustainability of on-going service delivery** (system functionality, financing and management arrangements):
  - Identification of an explicit Fund outcome focused on *WASH sector systems (Outcome 1)*, since the robustness of these systems are regarded as the key to ensuring on-going sustainability. Such systems include all relevant aspects such as leadership, policies, planning, financing, institutional framework and roles of government, private sector and civil society actors, coordination, monitoring and accountability. The attention to the political economy (in CSO analysis and strategies) is expected to support achievement of change in this domain.
  - The related Fund *intermediate outcome* involving improved capacity and agency of local actors (national or subnational government, private sector and/or community) in planning, investing and delivering services. This means that CSOs will be expected to give appropriate attention to mechanisms for operation and maintenance, fee collection and financing that meets full life-cycle costs of service provision, and/or (depending on project focus) attention to how private sector and enterprises will be able to sustain their activities and potentially have access to on-going business support services as needed beyond the life of a project
  - The Fund's gender and inclusive approach, which will ensure the of women and men and marginalised people in planning, implementation, decision-making and monitoring processes, and consideration of the specific priorities of particular groups whose access and use of WASH services and facilities may be affected by their characteristics. This will create opportunity for women and other marginalised groups to contribute to on-going service delivery arrangements, including leadership and technical roles. Existing literature points to the benefits for sustainability that accrue from increased women's involvement.

- Selection of CSOs with existing track record and performance in undertaking effective and *sustainable* WASH programming. This has been embedded in the selection criteria.
- Expectation that CSO projects will use quality technical designs (particularly for water systems, and taking into account possible climate change effects)
- **Sustainability of behaviour change outcomes** and contribution to ongoing effective management and use of services will be secured through:
  - The emphasis and requirement (See Annex 1) that all projects include a hygiene component, and the emphasis on robust analysis during inception should ensure necessary formative research informs behaviour change communication approaches and strategies
  - Ensuring complementarity between efforts to address water, sanitation and hygiene- for instance ensuring that WASH in schools addresses all three, such that they may be mutually reinforcing
  - The Fund's gender and inclusive approach will ensure that facilities and services meet user needs, which is likely to increase both motivation and ability to use the relevant services (this includes people living with a disability, or others that may have particular requirements to ensure the services are accessible).

Factors which could limit sustainability of benefits include:

- The cultural contexts and norms countries in Asia Pacific, which may not always be supportive of gender and socially inclusive outcomes, and may limit the sustainability of related outcomes.
- Challenges as regards buy-in from local actors and leadership to make the necessary changes that are needed to support sustainable outcomes
- Competitive nature of grant funding means that CSOs working in areas under the CS WASH Fund may not continue under Water for Women, thus losing momentum and opportunity for sustained engagement to embed ongoing functional WASH systems and hygiene behaviour changes. However, given that CS WASH Fund also had a strong sustainability focus and attention to exit planning, this is not considered a significant issue.
- CSOs whose funding ends in late 2017 (because grant agreements for this group were signed first) but then are successful in applying for this Fund risk the loss of corporate knowledge, skills and investment in staff training and momentum they are not able to put in place mechanisms for retaining staff is achieved
- Relatively large-scale funding means that there is a potential for a big drop in energy, momentum and attention once funding is stopped, which could risk achievements made to date if appropriate exit strategies are not devised and implemented

Overall, for a Fund of this size and scope, the balance of influences is positive and the chances of sustained benefits in gender and socially inclusive WASH are relatively high.

### *12.1 Sustainability and exit plans*

During the inception period, as part of their Project Design Document (PDD), CSOs will be required to develop project sustainability strategies and exit plans, building on the established practice within CS WASH Fund. The plans as regards sustainability will be holistic and consider overall project strategies that are expected enable sustainability of outcomes, and will specifically identify risks to sustainability, opportunities, and strategies and mitigating actions. This will be done across multiple domains, including, but not limited to: institutional arrangements for on-going service delivery; technical/technology choices; sustainability of behaviour change outcomes; and environmental sustainability.

Increasing attention to the details of the sustainability and exit plans will be needed over the 5-year life of projects, and consideration should be given at the outset to avoid the creation of unsustainable processes, systems and infrastructure and to maximise local ownership.

The exit plan itself will detail the criteria and mechanisms for exit, and include details relating to assets and ownership of ongoing processes and systems. Grant agreements with CSOs will include guidance for exit strategies, including how to hand over project assets, consistent with DFAT guidance and national partnership relationships and laws.

### 13. Risk management

The Fund's principles, approaches and systems described above, all contribute to effective risk management. However, a Fund of this size, scope and complexity inevitably involves risks at various levels. The Risk Management Matrix (Annex 11) lists identified risks and existing mitigation measures (including those described in this Design Document).

Overall, the following risks (rated 'high' in the Risk Management Matrix) will require careful attention.

**Table 6. High rated risks and suggested strategies to mitigate these risks**

Risk rated "high"	Strategies
<b>Poor government or other stakeholder buy-in and ownership of inclusive WASH change agendas</b>	<p>Posts to support engagement with Government agencies.</p> <p>CSOs to work in partnership with governments as appropriate and to coordinate with Posts to maximise the opportunity for synergies in engagement with partner government and other WASH and GESI stakeholders.</p> <p>Selection of CSOs with well-informed situation analyses particularly on political economy.</p>
<b>Climate change affects water availability, water system functionality and water-based sanitation facilities</b>	<p>CSOs to consider climate change impacts and disaster risk reduction in their situation analyses and during the inception phase as part of operational plans.</p> <p>FSG and DFAT to monitor at Fund level.</p> <p>Independent Review Group Terms of Reference to include this issue in at least one review mission.</p>
<b>Lack of strategic direction by FSG</b>	<p>FSG to follow principles in design to support collaborative leadership.</p> <p>Access by FSG to specialist partnership facilitator to focus on 'ways of working' to maximise partnership. Draft Terms of Reference for FSG to be finalised during Inception Phase.</p> <p>Independent Review Group to review functioning of FSG on a regular basis.</p>
<b>Poor relationships between Fund Coordinator and CSOs</b>	<p>FSG to monitor partnership approaches and provide support to maximise quality of relationships and clarify mutual expectations.</p> <p>Heightened threshold for approval of changes in the scope, approaches and budgets (20% variation in budget categories) for CSO projects so focus remains on the achievement of outcomes.</p>

For the full risk management matrix, see Annex 11.

## 14. Safeguards

Water for Women is likely to include a range of activities, which require consideration of safeguards issues and thus invoke DFAT policy requirements. Current safeguards covered by Australian Aid Program policies include: child protection, displacement and resettlement and environment protection. Those responsible for implementation of Fund-supported activities will be required to apply these policies, recognising that they are likely to be updated during the life of the Fund. Current policies<sup>120</sup> should be applied to all Fund-supported projects.

### 14.1 Child Protection

The Child Protection Policy 2017<sup>121</sup> for the Australian Government's aid program defines key terms, outlines requirements and provides strategies for all those implementing Government-funded activities including: individual contractors; partners or organisations subcontracted by DFAT; funded contractors or CSOs; and personnel of DFAT-funded contractors and CSOs.

The Policy recognises the shared and collective responsibility of all adults to prevent child exploitation and abuse and DFAT's own responsibilities as the Australian Government's overseas aid agency, to work with its partners to prevent and respond to child exploitation and abuse. It recognises that child sex offenders often seek employment or volunteer placements in organisations that work with children in Australia or overseas in order to access vulnerable children and therefore the policy is designed to protect children across the world from (or from further) exploitation and abuse and sexual, physical and psychological violation.

Funded organisations are obliged to have a DFAT-compliant child protection policy<sup>122</sup>. Each organisation's policy is expected to comprise standards and a framework to manage and reduce the risks of child exploitation and abuse and to apply them to its personnel, partners and subcontractors. CSOs will be required to ensure that partner organisations in country, and any other organisations engaged or funded from Water for Women funds, comply with the policy.

### 14.2 Displacement and Resettlement

It is not envisaged that the implementation of the Fund will result in displacement and resettlement, however, organisations funded under the Fund will be required to adhere to DFAT's policy entitled *Displacement and Resettlement of People in Development Activities 2015* and subsequent updates.<sup>123</sup> Displacement occurs wherever communities are required to move, or when their access to land is restricted, as a consequence of the activity. Resettlement of affected communities to alternative locations needs to be well planned and supported in order to ensure positive outcomes. The policy states that appropriate risk assessment and mitigation measures need to be in place in order to ensure positive outcomes for vulnerable people who may be affected by the activities, directly and indirectly.

### 14.3 Environmental Protection

DFAT's Environmental Protection Policy (November 2014) and any updates may apply to some Fund-funded activities. The Australian aid program and its activities are obliged, under the *Environment Protection and Biodiversity Conservation Act (EPBC Act) 1999*, to consider whether aid-funded work undertaken will cause, or is likely to cause, a significant impact on the environment, and take steps to avoid and/or mitigate any

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<sup>120</sup> <http://dfat.gov.au/aid/topics/safeguards-risk-management/Pages/default.aspx>

<sup>121</sup> <http://dfat.gov.au/about-us/publications/Pages/child-protection-policy.aspx>

<sup>122</sup> <http://dfat.gov.au/international-relations/themes/child-protection/Pages/child-protection.aspx>

<sup>123</sup> <http://dfat.gov.au/aid/topics/safeguards-risk-management/displacement-resettlement/Pages/displacement-and-resettlement.aspx>

negative impacts. Under the provisions of the Act, potential significant impacts on the environment from the implementation of the Australian aid program must be diligently assessed and managed.

Policy principles for environment protection include the following:

- Principle 1: Do no harm
- Principle 2: Assess and manage environmental risk and impact
- Principle 3: Disclose information transparently
- Principle 5: Work with partners
- Principle 6: Promote improved environmental outcomes

During the Inception Phase, as part of each Project Design Document, CSOs will include an Environmental and Climate Change Plan determining the key environmental and climate change risks and opportunities in each context and appropriate mechanisms to mitigate risks and build on opportunities. Given the new standard associated with 'safely managed' (and the associated ladder approach) water included in the SDGs, CSOs will be required to report on this issue in particular within their progress in implementing plans in their 6- monthly reports. Project teams and any other organisations engaged or funded by the Fund must adhere to the standards expected in the *EPBC Act 1998*.