

# **SOLOMON ISLANDS ACCESS TO CLEAN WATER AND SANITATION INITIATIVE PROGRAM**

## **PROGRAM DESIGN DOCUMENT**

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## 1.0 Executive Summary

**Background.** An estimated 80% of the people in the Solomon Islands live in rural areas. Coverage with rural water supply is reported at 65 percent, with as many as many as 50 percent of installed systems operating at less than design capacity or totally inoperative, and sanitation coverage is at a very low 18 percent coverage. In schools, water supply and sanitation (Watsan) coverage is very alarming, with most of the 1,000 schools in the country having no water supply or sanitation. Watsan for rural communities is the responsibility of the Rural Water Supply and Sanitation (RWSS) Section of the Environmental Health Department (EHD) of the Ministry of Health and Medical Sciences (MHMS). Within EHD, there is a Hygiene Promotion Unit (HPU) which is responsible for arranging community awareness and participation across all MHMS programs, including community preparation for the implementation of Watsans. Where hygiene promotion is an integral part of the implementation of water supply and sanitation, this report refers to that initiative as WASH (water supply, sanitation and hygiene), as opposed to Watsan, which refers to water supply and sanitation initiatives only.

Currently, there is no specific strategy in place to guide the development of legislation, policy or the sector in general. However, the Solomon Islands Government (SIG) has prepared a Medium-term Development Strategy (MTDS), 2008-2010, which provides an overall framework to guide efforts in its priority areas, as well as a draft National Policy on rural WASH; the policy is currently awaiting comment and approval by MHMS.

Following the launch of the Regional Assistance Mission to the Solomon Islands (RAMSI) in 2003, AusAID re-established its bilateral program, including the Health Sector Support Program (HSSP), a sector-wide approach (SWAp) for the health sector. In late-2008, AusAID provided short-term assistance under its Access to Clean Water Supply and Sanitation Initiative (ACWSI) to prepare for the longer-term Solomon Islands ACWSI (SIACWSI). In January 2009, SIG and Government of Australia (GoA) signed a Partnership for Development to support the MTDS, achievement of the MDGs, and to work towards implementation of the *Paris Declaration on Aid Effectiveness* and *Accra Agenda for Action*.

**Need for SIACWSI.** With effective coverage of rural water supply at around 37 percent, this equates to about 270,000 rural people without access to safe water, and therefore exposed to a much higher risk of water-borne disease. Rural sanitation fairs much worse with coverage of around 18 percent, leaving some 355,000 rural people risk of the debilitating effects of water-borne diseases. The combined efforts of RWSS and its development partners provided Watsans for a total of about 15,000-20,000 people in 2009. Given that RWSS only has the capacity to meet the demands of around 6,000 rural people/annum, this highlights the important role that its development partners such as NGOs are playing in helping meet demand. The challenge to accelerate the rate of implementation is considerable, especially when considered in the context of an annual rural population growth of around 11,000 people. A particular problem lies in the provision and maintenance of Watsans at schools. A sanitation facility in

schools is rare, with most of the country's 1,000 schools having no latrines. This not only impacts on health, but also on the education of the schoolchildren who elect to stay away from school because of the poor hygiene conditions. It is clear that the sector needs the ongoing financial and technical support of donor agencies such as AusAID, and development partners such as NGOs.

**Analysis of Sector.** Although RWSS is recognized in some circles as the key agency for rural Watsan, the lack of coordination in the sector reflects that fact that there is no focal point for coordination and planning. The draft National Policy for rural WASH is a vital foundation stone for improved coordination and development impact, but this needs to be followed up with a sector strategy that would no doubt highlight any legislative changes required. Areas for further skill development have been identified across a wide range of skills including project management, planning, scheduling, design, costing, contract management, implementation, monitoring and inventory management, and community participation.

There are very limited data that are actually recorded and collated in the sector, as well as its variability according to the source. A comprehensive database is required, based on standardized recording procedures, together with a dedicated planning unit to manage the database.

It is estimated that up to half of all installed water supply systems have either failed or are under-performing. Hypotheses for this situation include lack of ownership by the community, inadequate social preparation of the community, inadequate training of community on operation and maintenance, lack of spare parts, and willful damage during the tensions period. All of these aspects need to be addressed under SIACWSI to ensure sustainability. Experience in the region also shows that community-managed systems can often fail without some level of further ongoing support and strengthening from an organization such as RWSS on an intermittent basis. Return visits to WASH initiatives should be an integral part of RWSS's National Program, and should incorporate the efforts of its development partners. There is also a real and urgent need to re-visit existing community and school Watsans to review their status and prepare rehabilitation plans that include community participation and measures to ensure sustainability.

Community awareness of linkages between, safe water, proper sanitation and hygienic practices is very low. The Hygiene Promotion Unit (HPU) within the MHMS has skills in community mobilization and developing hygiene awareness. It needs to transfer its knowledge to provincial RWSS staff on these issues so that they can be incorporated into community preparation activities when designing WASH initiatives.

**SIACWSI.** The Program Goal is to improve the health and quality of life for the rural poor of the Solomon Islands. The Program's Purpose is to improve the capacity of the sector to respond to community needs and improved progress towards MDG 7. The Program has four integrated Components:

- (i) Increase coverage of WASH in rural areas,

- (ii) Improve sector coordination, capacity and equity,
- (iii) Establish sustainable and inclusive operation and maintenance models, and
- (iv) Establish improved hygiene awareness and demand for socially inclusive sanitation.

Outputs and activities designed to meet these purposes include increased coverage of WASH, mobilization of community resources, implementation of latrines, the participation of NGOs and other development partners, the establishment of enabling frameworks, improved planning and implementation frameworks, the establishment of a WASH database, improved coordination, the introduction of user fees, skill development in operation and maintenance (O&M), rehabilitation of Watsans, and enhanced community awareness.

It is estimated that up to 100,000 rural poor will directly benefit from access to an improved water source and improved sanitation.

Cross-cutting issues addressed under SIACWSI include poverty, gender, disabled persons, child protection and environment. Activities will be designed on an inclusive approach with suitable safeguards to ensure that no disadvantaged groups will be adversely impacted as a result of SIACWSI.

**Procurement.** SIACWSI's mode of aid delivery builds on the success of its short-term predecessor, and proposes that AusAID provide direct funding support to the Development Partners SWAp Account, which was established under HSSP, for all Watsan procurement. In recognition of RWSS's limited capacity at this stage however, it is proposed that a long-term technical adviser be placed within RWSS, whose services will gradually be reduced over the life of the Program. It is recommended that the incumbent technical adviser be engaged on a sole selection basis under a management contract to enable mobilization of SIACWSI by June 2009, and maintain the momentum of the development effort. To support the range of activities proposed under SIACWSI, provision is made in the cost estimates for short-term specialists in the fields of gender, occupational health, tariffs/user fees, community development, information technology, training, monitoring and evaluation and strategic planning. It is recommended that they be engaged on individual service agreements through AusAID's period contract facility.

**Costs and Funding.** The total funding from GoA is \$11.0million, and the total contribution from SIG is \$1.062million, a total Program funding of \$12.062million.

**Implementation.** It is proposed that SIACWSI commence in July 2010, immediately following the completion of its short-term predecessor, and implemented over a 4-years period.

**Monitoring and Evaluation.** Under SIACWSI it is proposed to develop and establish a national WASH database to be managed by RWSS. The development of the database will be guided by the design framework for SIACWSI, by which it is proposed to monitor progress toward the Program goal, purpose, outputs and activities.

**Sustainability Issues.** To ensure sustainability of WASH initiatives, several key issues have been identified that are considered to have a direct impact on sustainability, and appropriate measures have been built into the Program design to address them. A more strategic approach in the village selection process is proposed to encourage a greater community ownership, together with a more focused approach on community preparation. A lack of funding to support O&M is addressed through the introduction of user fees. The issue of the non-availability of spare parts is addressed through a more standardized approach to design and procurement. A greater support role by RWSS is proposed to provide communities with ongoing advice and guidance. School Watsans, which are in various stages of disrepair, are to be linked into the agreements for community Watsans to facilitate O&M, and more attention is to be given to awareness and education to overcome the social and cultural barriers to correct sanitary practices.

**Risk Management.** The minor risks associated with the field-level implementation of the Program are managed through the inclusion of conditionalities in the agreement between RWSS and the community. High level risks at the national level have been considered and suitable management strategies put forward to manage the risk. Risks include political instability and civil unrest, the suitability of accounting and reporting procedures to support a SWAp arrangement, SIG budget allocation and corrupt practices.

## 2.0 Background

### 2.1 Country and Sector Setting

1. Solomon Islands is a country in Melanesia in the South Pacific, made up of an archipelago of 6 large and 992 smaller islands. With a total population of around 500,000 in 2007<sup>1</sup>, and with an annual population growth of about 2.6 per cent<sup>2</sup>, the estimated population for 2010 is around 540,000. The country is divided into ten administrative areas, of which nine are provinces administered by elected provincial assemblies, and the tenth is the capital, Honiara, administered by Honiara Town Council. An estimated 80% of the people live in the rural areas in small villages, while the remainder reside in and around the 14 urban centres in the country, 10 being provincial capitals, including Honiara with an estimated population of around 65,000. A detailed Situation Analysis on water supply and sanitation is provided in Appendix 1.

2. Given the tight economic constraints experienced by Solomon Islands and the sheer logistical challenges in delivering development programs to the various islands, the Solomon Islands Government (SIG) has done reasonably well to achieve the reported figure of 65% coverage for rural water supply, although it is considered that this figure only indicates the installed capacity rather than the actual operational status of the facilities. Although it is

<sup>1</sup> 2007 Population Projection, Solomon Islands National Statistics Office, July 2007

<sup>2</sup> World Population Prospects; Population Database, Department of Economic and Social Affairs of the United Nations Secretariat, 2008 revision

understood that no actual survey of operational status has ever been undertaken, anecdotal information suggests that in rural areas as many as 50% of installed systems may operate at less than design capacity or may be totally inoperative. In terms of sanitation, the situation is far more serious with a reported coverage figure of only 18 percent. In schools, Watsan coverage is even more alarming, with most of the 1,000 schools in the country having no water supply or sanitation for either teachers or students. Given these figures, it appears that SIG is unlikely to reach Target 7 of the Millennium Development Goals (MDGs) of *“halving, by 2015, the proportion of people without sustainable access to safe water and basic sanitation”*.

3. During the 1990s, SIG adopted a National Water and Sanitation Capital Development Program (the National Program) to address the urgent need for basic water supply and sanitation in the rural areas, assisted by development partners such as AusAID and some NGOs. However, during the tensions period (1999-2004) the program collapsed, leaving a vacuum immediately following the return to civil peace. In view of this situation, and in recognition of the need, a number of donors began to provide direct support for new or rehabilitated water supply and sanitation services commencing in 2005. This was soon followed by SIG re-establishing the National Program in 2008. Since that time, although no overall database exists, it appears that somewhere in excess of 71 rural water supply facilities were installed in 2007, with over 107 in 2008. It is understood that there were almost no sanitation facilities provided to complement these new installations.

## 2.2 Institutional Setting and Development Partners

4. Within SIG, WASH for rural communities is the responsibility of the Rural Water Supply and Sanitation (RWSS) Section of the Environmental Health Department (EHD) of the Ministry of Health and Medical Sciences (MHMS); Appendix 2 provides details of the organization of MHMS. Where requested, and within its resource limitations, RWSS sometimes cooperates with the Ministry of Education and Human Resources Department (MEHRD) to provide WASH facilities for schools. RWSS has its headquarters located in Honiara, and has provincial offices throughout the country. It has two trained engineers for the whole country, and in each province it has a manager and a handful of skilled and unskilled workers. RWSS, using SIG budget and some donor funding, procures the materials and equipment required for the Watsan facilities using bulk purchase orders, manages the logistics and transport in distributing them to the project-specific sites, and arranges for the communities to provide labour for the construction work as their in-kind contribution. RWSS is also charged with providing training for operation and maintenance to the communities. Within EHD, there is a Hygiene Promotion Unit (HPU) which is responsible for arranging community awareness and participation across all MHMS programs, including community preparation for the implementation of WASH. HPU has traditionally been quite weak in this role, although it is currently being strengthened by a long-term technical adviser provided under the AusAID-funded Health Sector Support Program (HSSP).

5. There is no structured process for the selection of villages in the National Program, which is essentially an annual plan. In considering villages for inclusion, RWSS tries to ensure



that each province is generally treated on an equitable basis, and then considers issues such as the community's demonstrated readiness to proceed in order to prioritize; for example, has the village established a water committee, has it lodged an application, and is it showing commitment to participate. RWSS tries to encourage villages to use its provincial offices to process and check applications, which would then forward all approved applications to headquarters for further checking and approval. However, in practice, village applications often by-pass RWSS's provincial offices, requiring headquarters to consult back with them before proceeding. A protracted process given the logistical problems of travel in the Solomon Islands.

6. In addition to RWSS, there are a further six development partners understood to be engaged in the delivery of WASH activities in the rural areas of the Solomon Islands, including several NGOs. Data collected to date indicates that these development partners implemented over 72 WATSAN facilities in 2007, over 90 in 2008 and over 60 in 2009. However, it is known that there are data gaps in this assessment, and these figures do not therefore accurately reflect the actual combined efforts of the partners, which highlights the significant difficulties in obtaining reliable information in the sector. What is clear from the figures however, is that RWSS's resources are not sufficient to meet the MDG challenge, and the NGOs are proving to be very reliable and effective development partners. Although most of the NGOs' work is conducted in parallel to RWSS's National Program, there appear to be good working relationships between the various development partners, which could be used as a good basis for a more coordinated approach in the future.

7. The collective WASH development effort is funded by SIG budget and nine other donor partners, who provide funding through significant rural development or rural community support programs. These programs usually invite proposals from rural communities for village infrastructure development or rehabilitation or repair, and around 30 percent of the proposals normally relate to rural Watsan activities. Table 1.0 below provides a summary of the investments made in the rural sector since 2007.

**Table 1.0 Historical Funding of Rural Watsan (estimated SBD '000)**

Agency	Program/Project	2007	2008	2009
<b>SIG</b>	National Planning & Aid Co-ord – Post Conflict	1,000		
	Head 476 – RWSS		5,000	2,000
	Head 476 (Non-Appropriated) – RWSS			5,664
	MEHRD – Schools WSS			
<b>AusAID</b>	Community Sector Program – RWSS	1,280	3,200	
	Health Sector Support Program –RWSS		1,900	4,500
<b>UNICEF</b>	Earthquake and Tsunami Relief – RWSS			
<b>World Bank</b>	Rural Development – RWSS			8,000

<b>EU</b>	Micro-Projects – Phase II – RWSS	5,117	4,080	
	<b>Totals</b>	<b>7,397</b>	<b>14,180</b>	<b>20,164</b>

7. Table 1.0 shows the significant increase in total donor funding since 2007, from a figure of around SBD 6.4million to about SBD 12.5million in 2009. Although this is quite impressive, it is SIG's commitment to the sector that is really remarkable; an increase from SBD 1.0million in 2007 to around SBD 7.6million in 2009, allocated from a very limited budget. It is widely acknowledged that the increase in the 2009 budget allocation was approved by the Ministry of Development Planning and Aid Coordination in recognition of RWSS's demonstrated ability to utilize its budget efficiently. This is considered to be a direct and positive result of the short-term ACWSI activity funded under HSSP; this is discussed further in para. 13.

## 2.3 Enabling Frameworks

8. Currently, there is no specific strategy in place to guide the development of legislation, policy or the sector in general. However, SIG has prepared a Medium-term Development Strategy (MTDS), 2008-2010, which provides an overall framework to guide efforts in its priority areas such as (i) reconciliation and rehabilitation, (ii) national security and foreign relations, (iii) infrastructure development, (iv) social services, (v) economic production, and (vi) civic affairs. Watsan activities are significant inclusions in the infrastructure priority area, with key outcome indicators being (i) significantly improved access to clean water and proper sanitation (MDG 7), (ii) not less than 10 rural communities to benefit from improved water and sanitation each year, and (iii) water related diseases reduced by 20 percent by 2015. In the MTDS, SIG estimated the annual investment cost of its Watsan targets at SBD 2.5million in 2009, rising to SBD 5.0million in 2010 and beyond to 2012. Very conservative targets when compared to the annual investment costs actually achieved, and which are shown in Table 1.0. Without any strategic sector plan in place, the only operational planning that is carried out at this stage is the preparation of annual investment plans by RWSS. The plan is essentially an annual target, for which RWSS seeks budget and possibly donor funding, and adjusts its plan accordingly to meet the resources available.<sup>3</sup>

9. As yet, there is no national rural WASH legislation, nor any policy. The absence of any legislation however, does not appear to be adversely impacting on the sector at this stage, as SIG recognizes the role of RWSS in rural WASH and allocates budget and staffing accordingly. Urban Watsan in the provinces is covered under the Environmental Health Act of 1980, together with its subsidiary legislation (Section 5(1)) Order Delegating Functions, 1987.<sup>4</sup> Although there is no specific reference, SIG considers that this legislation also applies to rural Watsan. At some stage in the medium- to long-term, SIG will need to address this issue. The absence of a formal policy has been recognized, and a draft National Policy on Rural WASH has been prepared, and is currently awaiting comment and approval by MHMS.

<sup>3</sup> Development partners such as NGOs establish their own plans independently.

<sup>4</sup> The Solomon Islands Water Authority Act of 1990 covers Honiara.

10. In recognition of the poor coordination in the sector, a national stakeholder group was established in 2009 to improve coordination and collaboration in the sector, and has since met on four occasions to discuss technical standards, maintenance, and improved data recording. The Ministry of Development Planning and Aid Coordination, which is SIG's focal point for the coordination of all external aid into the country, also participates in the national stakeholder meetings.

## 2.4 Role of Government of Australia in the Solomon Islands

11. Following the tensions that started in 1994, the Regional Assistance Mission to the Solomon Islands (RAMSI) was established in 2003. RAMSI, an Australian-led initiative, was initially created to provide logistical assistance to police forces assisting SIG in the restoration of law and order. Soon after, RAMSI shifted the focus of its efforts more toward social and economic development, such as the stabilization of SIG's finances and the normalization of its debt. RAMSI is now focusing on the capacity building of the national government and the mentoring of Solomon Islanders to take over key roles.

12. AusAID was providing assistance to the water sector in the Solomon Islands during the 1990s. With the onset of the tensions however in the late-1990s, the assistance was suspended until law and order was restored, the way was open once again for AusAID to return to the Solomon Islands in 2007. In response to the country's urgent and widespread need, AusAID quickly established a bilateral program that covers many of the key areas such as economic infrastructure, forestry and lands, community development, scholarship programs, disaster management and health. The total bilateral program was worth around \$30.2million in 2007/2008 and about \$40.0million in 2008/2009. Within the total program, there are two individual programs that are particularly relevant to rural Watsan, the Community Sector Program (CSP) and the Health Sector Support Program (HSSP). Under CSP, some 16 Watsan schemes were implemented in 2007, 20 in 2008 and 6 in 2009.<sup>5</sup> HSSP, which is designed on a sector-wide approach (SWAp), supports the National Health Strategic Plan, 2006-2010 and its outcomes, one of which is increased access to improved water supply and proper sanitation. Following mobilization in 2008, it was only possible to complete a handful of rural Watsans in 2009 under this initiative.

13. In the 2008 Budget, the Australian Government announced an intention to implement a new regional initiative, Access for Clean Water and Sanitation Initiative (ACWSI). About \$15.0million was earmarked for the Pacific Region (not including PNG), and of this \$4.0million was notionally allocated for the Solomon Islands. In late-2008, AusAID agreed with MHMS to provide an immediate short-term assistance (April to November 2009) under ACWSI to provide technical support to assist RWSS manage and implement a backlog of rural Watsan schemes and facilitate a more comprehensive design process for a longer term program of AusAID support. Since the mobilization of the short-term ACWSI technical adviser in April 2009, RWSS has been assisted with the development of new schemes and the monitoring of expenditure.

<sup>5</sup> There is some uncertainty surrounding these data.

RWSS has also been able to utilize SIG budget much more effectively. Appendix 3 provides a brief assessment of the short-term ACWSI.

14. In January 2009, SIG and GoA signed a Partnership for Development to support the MTDS, achievement of the MDGs, and to work towards implementation of the *Paris Declaration on Aid Effectiveness* and *Accra Agenda for Action*. The objectives of the Partnership for Development are consistent with the intent of the HSSP SWAp arrangement, and demonstrate AusAID's commitment to work within government systems to more effectively build capacity.

### 3.0 Analysis of Sector Issues

15. Statistical data on water-borne diseases are very scant across the Solomon Islands, but anecdotal data collected by MHMS is very consistent across all provinces; diarrheal and gastro-intestinal diseases, and skin infections are quite prevalent. The worldwide consensus of opinion is that these debilitating diseases are directly attributable to (i) lack of access to safe water, (ii) lack of proper sanitation facilities, and (iii) poor sanitary practices. These diseases give rise to higher medical costs for the community, loss of productivity, diminished learning at schools and an overall deterioration in quality of life. With effective coverage of rural water supply at around 37 percent<sup>6</sup>, this equates to about 270,000 rural people without access to safe water, and therefore exposed to a much higher risk of water-borne disease. Rural sanitation fairs much worse with a coverage of around 18 percent, leaving some 355,000 rural people risk of the debilitating effects of water-borne diseases. A Situation Analysis on hygiene and sanitation is provided in Appendix 4.

#### 3.1 Low Watsan Coverage

16. With its limited resources and capacity, SIG with the help of AusAID and other development partners, has been trying to expand access to safe water since the 1990s. However, during the hiatus in development during the tensions period and the damage to infrastructure suffered during that time, the effective coverage rate plunged in the 2000s. Although SIG and its development partners are trying hard to recover from that period, the rural population growth of 2.4 percent (around 11,000 rural people/annum) represents a major constraint on increasing the effective coverage. For example, in 2009, it is estimated that new water supply systems were implemented for about 15,000-20,000 people, which yields a net increase in coverage for the year of only 5,000-10,000 people. RWSS appears to have capacity to meet the needs of around 6,000 rural people/annum, which highlights the important role that the NGOs are playing in helping meet demand. Given the resource constraints, it is considered that progress at this rate is quite good, but not sufficient to help SIG meet the targets in the MTDS or the MDGs. The challenge to accelerate the rate of implementation is considerable, and will require the financial and technical support of donor agencies such as AusAID. Although RWSS's performance can no doubt be enhanced to absorb and utilize additional funding, it will

<sup>6</sup> Official coverage is 65 percent, of which 50 percent are estimated to be failing or under-performing.

need the resources of other development partners such as NGOs to meet the demand. In discussions with NGOs in country, it seems there is sufficient capacity to absorb a significant amount of additional funding. The backlog of village applications held by RWSS and NGOs and awaiting funding, is a clear indicator of the sector's inability to meet the demand. It is reported that there is a current backlog of well over 100 applications for a safe water supply system.

17. Sanitation components have been largely absent from water supply initiatives in the past, which has led directly to the very low coverage base of around 18 percent (78,000 people out of a rural population of 430,000). Beach or open bush toilets remain the daily reality for many people in villages, schools and clinics. This shortcoming appears to have been recognized by the development partners, who are now starting to address this issue in their new plans. However, as with the provision of safe water, the challenge of extending support to some 352,000 rural people is considerable.

18. A particular problem lies in the provision and maintenance of WASH at schools. A sanitation facility in schools is rare, with most of the country's 1,000 schools having no latrines. The Ministry of Education and Human Resource Development (MEHRD) does not provide provincial departments or schools with any capital budget for Watsan and neither does it provide any recurrent budget for operation and maintenance. Where Watsans have been installed, they have been installed by RWSS or one of the other development partners, and in the few schools where they do exist, the facilities quickly fall into disrepair. This not only impacts on health, but also on the education of the schoolchildren who elect to stay away from school because of the poor hygiene conditions. Women in particular need to be consulted during the community preparation stage on how the local community can assist in the operation and maintenance of WASH initiatives for local schools. An operational plan needs to be developed between the school and the community setting out how the maintenance will be carried out and by whom. With clean, sanitary facilities, there is then some foundation to the introduction of improved hygiene practices.

19. The private sector is not currently a significant player in the delivery of WASH to rural communities, but there is a cadre of ex-RWSS skilled workers in some of the provinces who could be coached to become key development partners for RWSS. This potential should be explored during any WASH program to help accelerate services to the rural communities.

### **3.2 Lack of Coordination and Capacity**

20. The issue of coordination is one that exists inside the MHMS itself, between development partners and to a certain extent between the donors. The lack of any policy directive, sector specific strategic planning, and to a lesser extent a sound legal framework perpetuates the uncoordinated effort. RWSS is recognized in some circles as the nominal key agency for rural WASH, but the lack of coordination in the sector indicates that it is as yet unable to fulfill that role with its existing resources. As mentioned earlier, the informal networking between development partners has addressed this to some extent, and the establishment of the national stakeholder group is an important step, but these efforts need the

support of coherent enabling frameworks. The draft National Policy for rural WASH is a vital foundation stone for improved coordination and development impact, but this needs to be followed up with a sector strategy that would no doubt highlight any legislative changes required. The strategy should be all inclusive of water supply, sanitation and hygiene promotion. It should be inclusive of all development partners, including communities, outlining how they need to address maintenance issues. It should also clearly delineate the roles of government agencies, and legal; or regulatory change required to effect the strategy.

21. The lack of a strategy clouds the vital linkages between objectives and resources, and responsibility and accountability, which leads to unnecessary overlap in some areas, development gaps, and inefficiencies such as mismatching of spare parts. Without a strategy, RWSS cannot improve its own performance, it cannot adequately marshal resources, coordinate its development partners, or provide strategic donor involvement in the sector. The strategy and its subordinate operational plans can be used to more carefully prioritize budget allocations, and attract donor funding. With a greater degree of coordination and strategic control also comes the additional burden of national forward planning and management of resources, two key skill areas that are in need of further development within RWSS. Also, the move toward clearer responsibility and accountability will also require much clearer functional job descriptions across the board.

22. Areas for further skill development have been identified across a wide range of skills including project management, planning, scheduling, design, costing, contract management, implementation, monitoring and inventory management, and community participation. To address this situation, there is a need to establish a skills and activity matrix that provides an understanding of existing skills, and demonstrates how the skills can be used more effectively on a collaborative basis.

23. It is clear that RWSS and other development partners can all demonstrate examples of good work being undertaken, but there is little coordination of analysis of the effectiveness of projects except from within individual project or organizational frameworks. This limits the opportunities to learn from evaluation across the sector. The lack of coordination is also apparent in the procurement of materials. Different development partners procure from different origins, which have different specifications, making downstream maintenance very difficult.

24. In putting this design document together, the design team has discovered first-hand the limited extent of data that is actually recorded and collated in the sector, as well as its variability according to the source. Without any data or with very suspect data, it will be extremely difficult for RWSS to plan, coordinate and manage the sector effectively, and moreover it will be impossible to report back to SIG on attainment or otherwise of MDGs. A comprehensive database is required, based on standardized recording procedures. However, the major challenge will be the allocation of resources to such an exercise. The Program could explore the possibility of linking in with the MHMS National Health Information System and/or the health Promotion Unit, but resource constraints are clearly evident within these systems. An alternative would be to mobilize additional resources to work within RWSS, albeit recruitment is currently



restricted due to budget constraints. However, with the mode of aid delivery proposed, SIG and the PSC would have the flexibility to allocate funding for additional resources to support this exercise. This issue needs to be explored in further detail during the early stages of Program implementation. Whichever mode of resource utilization is selected, it is considered that with the limited number of development partners in the sector, the national stakeholder group could assist in coordinating the data collection exercise with the cooperation of all stakeholders. The alternative would be to issue a *regulation* requiring all development partners to comply, but the only relevant primary legislation to which it could be subordinated, until there is a primary WASH act, would be the Environmental Health Act of 1980.

25. Two key challenges in creating the database would be the establishment of a baseline, and the regular survey work required to update the database on sustainability aspects. To establish a baseline, especially with respect to soft data such as behavioral change, it will be necessary to call on the services of a specialist unit, experienced in the conduct of such surveys on a representative sample basis, such as the Australian National University. Data on the use and maintenance of Watsans could be collected by provincial RWSS staff or by development partners, some of whom have a program approach to rural communities requiring them to visit communities more regularly on a range of issues.

### 3.3 Unsustainable Watsans

26. It is estimated that up to half of all installed water supply systems have either failed or are under-performing. Hypotheses for this situation include lack of ownership by the community, inadequate social preparation of the community, inadequate training of community on operation and maintenance, lack of spare parts, and willful damage during the tensions period. In reality, and with the exception of willful damage, the problem probably lies in a matrix of almost all these issues. Development partners are currently looking at ways of how to address all these issues, each perhaps with a slightly different emphasis. However, the problem needs to be addressed on a more collaborative basis so that ideas and lessons learned can be shared. In a male dominated society such as the Solomon Islands, it is rare to find women in active roles in community groups. However, since women are generally the water managers in SI society, there should be an attempt to involve women far more in the operation and maintenance as well as in the financial management of the maintenance funds at the water committee level. Training will help to give the women the skills to undertake the tasks, but it will probably require conditionalities in the RWSS/community agreement requiring certain positions be taken up by women to ensure real equitable representation. Training of village technicians in general must be an integral component of any WASH intervention, as must the training of the village water committee on how to collect and manage the maintenance fund. A greater involvement of women and an increased emphasis on community preparation should help engender a greater community ownership, and enhanced sustainability.

27. The issue of spare parts is interesting from two perspectives. First, there is the issue of funding. Since the community is the owner of the water supply system, they are expected to collect user fees, and manage the collected monies to pay for and arrange all operation and

maintenance activities. In the subsistence economies of many villages however, collection can be difficult, and management of the maintenance fund can be subject to abuse. With limited prospect of ongoing government support, it is essential that the communities find ways to sustain their systems themselves, and user fees are probably the only way. As part of the community preparation exercise when selecting and designing a new water supply system, there should be some attempt to conduct an affordability assessment of the community to establish a reasonable rate for the user fee. In cases where families are below the affordability level, they should be given the opportunity to contribute in-kind. The second issue regarding spare parts is that of technical specification and availability. The lack of coordination and standardization in the sector gives rise to differing materials from different origins having different specifications. Even when maintenance funds are sufficient to purchase spare parts, compatible parts are often not available locally, or even in Honiara.

28. Adequate training and the ability to secure spare parts are certainly essential in underpinning the sustainability of Watsans, but AusAID experience elsewhere in the region shows that community-managed systems can often fail without some level of further ongoing support and strengthening from an organization such as RWSS on an intermittent basis. The task of returning to all villages is daunting, and not really possible, but with a structured and analytical approach during the first several visits of such an approach, it should be possible to develop a plan to prioritize villages based on the profiling of certain village characteristics. The plan could then be shared with other development partners.

29. There is a real and urgent need to re-visit existing community and school WASH interventions to review their status and prepare rehabilitation plans that include community participation and measures to ensure sustainability. A sustainable operation plan could be part of and linked to the overall agreement between RWSS and the village as a condition of rehabilitation. The need to return to review existing WASH interventions must be balanced of course with the need to continually install new systems to meet the MDGs, but this exercise would not only actually contribute to the MDGs, it would also provide valuable data and lessons learned to support the sustainability of future systems. Rehabilitation would be an integral part of the strategic plan.

### **3.4 Poor Sanitary Practices**

30. As noted earlier in the design report, the coverage of sanitation facilities in communities is very low, and anecdotal information suggests that where they exist, many are not used because of gender concerns and/or cultural barriers. This, together with a lack of safe water to support associated hygienic behavior, is probably the major cause of the water-borne diseases prevalent in the rural areas of the Solomon Islands. Community awareness of linkages between, safe water, proper sanitation and hygienic practices appears very low.

31. Although all the development partners try to address the issue, there appears to be no standard approach or design for hygiene awareness. The approach varies from very intensive community engagement through to simply constructing a facility. It is clear from experience to



date that programs emphasizing a participatory and responsive community engagement process have a much greater chance of success. Whilst there is no 'one size fits all' solution, the installation of sanitation facilities provides an ideal opportunity for hygiene awareness through engaging the users in open discussion of the issues, and involving them directly in design, construction and ongoing operations of the facility. Designing hygiene awareness activities must be based on evidence and an understanding of underlying motivations for behavioral change.

30. The Hygiene Promotion Unit (HPU) within EHD is tasked with hygiene awareness amongst a broad range of other health promotion issues such as HIV/Aids and malaria. The Division has 52 staff, with 2–5 based in each province. All Health Promotion staff receive substantial training in community mobilization, and yet due to resource constraints their awareness campaigns on the ground in rural villages are minimal. HSSP is currently undertaking a capacity building exercise in HPU, which needs to be used as a catalyst to transfer knowledge to provincial RWSS staff on the critical issue of mobilization of community resources to address sanitation concerns. Until communities genuinely understand the linkages between health and hygiene, they will not invest in proper sanitation.

### **3.5 Public Financial Management and HSSP**

32. SIG operates a centralized financial management system in that all financial transactions for line ministries are processed through the Ministry of Finance. SIG budget is appropriated through the SIG Financial Management System, governed by the Finance and Audit Act of 1978 and the SIG Financial Instructions (2004) (currently under review). With regard to HSSP, it is facilitated through a subsidiary agreement between SIG and AusAid. It is a five year agreement and provides the legal framework for the operation of HSSP funds. The subsidiary agreement states that SIG financial processes will be followed for the operation of HSSP funds and that they are to be run through the appropriated budget, i.e. they are on budget. The funds are transferred from the Central Bank into a commercial account (operated through the Bank of South Pacific) which is managed by MHMS, and which also allows for other development partners to utilize the account. Although it may be perceived as a hybrid budget support system, as the funds are transferred from the Central Bank into a commercial account managed by MHMS, development partners' funds are considered on budget and as such budgeting, systems and procedures are aligned with that of the Government. The funds are paid directly from the Government account to the commercial account and therefore the risk of the funds being diverted for other SIG purposes is greatly reduced. MHMS has been able to close a number of bank accounts for different funds (e.g. UNICEF, UNFPA) and run these funds through the development partners' account, thereby reducing financial risk and administration burden. Monthly reports on revenue and expenditure are provided to Ministry of Finance, which inputs the data into its financial management system and reports to Parliament.

33. MHMS prepares the annual budget for HSSP at the same time as the SIG budget, which is leading MHMS to (i) prepare consolidated source budgets, taking into account development partner funds, and (ii) undertake annual planning and resource allocation of funds to the

required areas. MHMS has set up accounting software to manage and monitor the financial transactions for HSSP, which allows the MHMS to easily track and monitor all development partners' funds flowing through the commercial bank account.<sup>7</sup> HSSP funds (development partners' account) are audited by the SIG Auditor-General along with the SIG financial transactions. MHMS has set up an Audit and Finance Committee to review financial systems, transactions and liaise with internal and external auditors. The committee includes development partner representation as well as MoF and MHMS representation.

34. Currently, WHO, AusAid Eye Care Program, AusAid PACMI funds, UNICEF, GAVI and UNFPA are using the Development Partners' Account, as well as other small grants from the Italian Embassy, JICA donations, etc.

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#### **4.0 The Proposed Program – Solomon Islands Access for Clean Water and Sanitation Initiative**

##### **4.1 Program Goal and Outcome**

31. The Program Goal is to improve the health and quality of life for the rural poor of the Solomon Islands. The Program's Purpose is to improve the capacity of the sector to respond to community needs and improved progress towards the MDG 7 target. Appendix 5 contains the Design Framework for the Program, which sets out the Goal, Purpose, Components and Outputs, and provides the targets/indicators, the means of verification and the assumptions on which the framework is based. The Program is consistent with the intent of the Partnership for Development, in that it seeks to strengthen government systems. It recognizes the effectiveness of the approach adopted under the short-term ACWSI, and builds on its successes, progressively scaling up the annual development effort to match the absorptive capacities of RWSS and its development partners as they develop under SIACWSI.

##### **4.2 Purposes/Components**

35. The Program has four integrated Components:

- (i) Increase coverage of WASH in rural areas,
- (ii) Improve sector coordination, capacity and equity
- (iii) Establish sustainable and inclusive operation and maintenance models, and
- (iv) Establish sustainable systems for improved hygiene awareness and develop demand for socially inclusive sanitation.

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MHMS does not have access to SIG financial transactions system.

### **4.3 Outputs under Component No. 1 (Increase coverage of WASH in rural areas)**

#### **4.3.1 Increased Funding Allocated**

36. Under the proposed SIACWSI, it is recommended that AusAID provide sufficient funds each year to support the installation of at least 30 water supply systems in year 1 of implementation, rising steadily to a figure of at least 42 in Year 4, the final year of implementation. Together with the SIG budget allocation, this will result in a significant increase in the coverage of clean water supply. It will be a challenge for RWSS and its development partners, but with the proposed capacity development and greater efficiency, it is considered achievable. The figures however, should be considered indicative and should be revised as the total resource requirement of the sector development becomes clearer as SIACWSI rolls out. The impressive capacity of RWSS to implement Watsans during 2009, together with the capacity of its development partners, has been used as the basis for annual investment projections under SIACWSI. However, RWSS will no doubt want and need to review its resources during SIACWSI, and the mode of aid delivery proposed (budget support) will enable it to seek additional positions if required.

37. Funding for each water supply system should be conditional upon the community showing commitment to contribute, as well as a willingness to install latrines. It is worth considering the inclusion of several conditionalities in the Agreements signed between the community and RWSS. For example, a minimum number of women serving on the water committee, a minimum number of women trained as village technicians, user fees to be applied, etc. One conditionality that could be tested is to tie the local school Watsan into the operation and maintenance of the community system.

#### **4.3.2 A community owned, socially and gender inclusive process to plan, implement and monitor WASH activities**

38. By itself, a conditionality requiring latrines to be installed is not sufficient. It needs to be complemented by education and support programs showing communities how sanitation is a vital supplement to water supply for improved health, how sanitation facilities can be designed to overcome gender and cultural-based barriers, how resources can be mobilized to pay for the necessary installation and maintenance costs, and how communities can organize themselves and manage funds. HPU has skills in this area, as do some of the NGOs. A skills and activity matrix needs to be developed in a collaborative effort by HPU, RWSS and other development partners, as a basis to a training effort to cover these issues. Training materials will need to be developed, trainees identified, and methods of delivery agreed. RWSS, as the focal point for the sector, can then include this aspect of sanitation as an integral part of the community preparation process for any water supply application. The preparation should include an awareness of the difficulties that children and teachers face at schools, and that the community should adopt the school as being part of their responsibility.

39. RWSS will request that school Watsan facilities be an integral part of the overall village application. Following community consultation, operational plans for the whole of the Watsan facilities in the community and school will be prepared and agreed by all parties, setting out all maintenance arrangements and how they will be funded.

40. Disadvantaged groups, such as the poor and the disabled, need to be included in the community preparation. This may necessitate the construction of ramps at latrines or wider doorways, especially at schools. Even senior citizens may need to be advised on their future needs as they could suffer health problems in later years and become less mobile. A concept growing in popularity in Australia is that of universal design, which is based on a set of design standards that provide accessibility for all groups of people. This concept may be worth considering as a pilot during the early stages of SIACWSI.

#### **4.3.3 RWSS working with development partners and service providers to deliver Watsan programs**

41. As noted in the problem analysis, RWSS by itself does not have the capacity to meet the demand for rural Watsan. NGOs and other development partners have played a significant role in the development of the sector in the past, and they are likely to do so for many years to come. They often work with donors on projects not under the National Program, although they have undertaken work under agreement with RWSS. The continuing role of these sector actors is critical to the Program design in order to meet the indicative targets in Section 4.7. Agreements between the development partners and RWSS should preferably be on the basis of annual investment plans, which set out the WASH to be implemented, including other collaborative initiatives such as training and hygiene awareness. The annual investment plans, which will constitute the overall sector investment plan, will enable each sector actor to plan ahead more effectively.

42. Where ex-RWSS staff exist in the provinces, it may well be worthwhile to develop one or more into becoming a private sector contractor, to which RWSS could outsource some of its obligations. The type of agreement could be very similar to that used to engage the services of NGOs.

#### **4.4 Outputs under Component No. 2 (Improve sector coordination, capacity and equity)**

##### **4.4.1 Policy, Strategic, Legal and Institutional Frameworks Approved.**

43. The draft National Policy for Rural WASH needs to be approved early in the life of SIACWSI to pave the way for the reforms and improvements to the sector's enabling frameworks. It is expected that the National Policy will reflect the intent of the Partnership for Development and the HSSP SWAp in that it will seek to build capacity within the SIG. Once the policy is approved, a more sector-specific strategy should be developed to help allocate and manage resources more effectively, and provide SIG with a tool for donor dialogue and

coordination. The strategy will also highlight the need for any legislative changes and/or the issue of any relating regulation, and should include water supply, sanitation and hygiene promotion. The strategy will need to be prepared during Year 1 of SIACWSI to enable the conclusions to be operationalized during the life of the Program.

44. The national stakeholder group should be encouraged and strengthened by recognition of its coordinating role by the Minister. RWSS could be formally assigned as the Secretariat, and the meetings could be used as forum to monitor and discuss the implementation of the national policy and sector strategy. Additional staff could be recruited through the budget support mode of aid delivery to support this role. Alternatively, RWSS could transfer some of its implementation resources to this role, and re-assign some its implementation load to its development partners.

45. To enable efficient allocation and utilization of human resources, the institutional roles of the RWSS and HPU, both at the national and provincial levels, need to be reviewed, and revised if necessary. The roles and responsibilities need to be clearly articulated in the regulatory framework of MHMS, by issue of a new regulation if required. Further, functional job descriptions need to be prepared, and discussed with employees to ensure there is some level of agreement on target levels.

#### **4.4.2 Improved Planning and Implementation Frameworks.**

46. With the benefit of a national strategy RWSS, together with the assistance of its development partners, will be in a much better position to plan ahead for the sector development. Planning should be based on 3-year rolling plans, updated each year, to improve management of resources. Guidelines need to be developed on a collaborative basis covering village selection, community preparation, design, procurement, installation and data collection, with the aim to improve and standardize on procedures and materials.

47. With the new systems and guidelines comes the need to create an awareness of how to comply, especially at the provincial level and below. This is especially important for the application and approval process, which really needs to be standardized to achieve a greater level of efficiency and to enable a more equitable priority selection. Workshops will be needed initially to develop the awareness, and at regular intervals thereafter to resolve issues and strengthen the process.

#### **4.4.3 Simple but effective M&E tools to support sector planning, monitoring and evaluation.**

48. A WASH database will need to be developed during Year 1 of the Program to support the initiatives to improve planning and management, and to enable the development of the sector to be measured for reporting purposes. RWSS will need to develop a plan to develop and manage the database, using the combined efforts of its development partners, the national stakeholder group, and local provincial officials to collect objective and anecdotal data. For more

subjective data such as behavioral change, it is proposed to use a social research unit from an Australian University to conduct surveys in representative villages. The research unit would also train RWSS and HPU staff in the survey techniques to facilitate future surveys for monitoring purposes.

49. The database design and baseline data collection exercises will need to start in Year 1 to enable the system to be up and running during the life of SIACWSI. Monitoring of the ongoing WASH issues would be facilitated by provincial RWSS staff and development partners. To ensure the exercise is not overly cumbersome, subjective data will be collected on a representative sample basis only.

#### **4.4.4 RWSS as the Effective Focal Point for the Sector.**

50. The national policy and strategy should clearly set RWSS as the focal point for the sector, supported by any necessary legislative change. Serving as the Secretariat to the national stakeholder group will also enhance its role as the main coordinating body for the sector. Having such a key role, RWSS senior staff will need mentoring in national forward planning and program management. At the operational level, RWSS will need to take the lead role in the collaborative development of a skills and activity matrix, as mentioned earlier, to benefit all sector actors. For RWSS as the focal point, it will need to provide its staff with the necessary training in project management, planning, scheduling, design, costing, procurement, contract management, implementation, monitoring and inventory management, and community participation. Although it needs to be conducted on a collaborative basis, taking the lead role in the development of standardized guidelines for planning, design and implementation will provide RWSS with some credibility as the main coordinating point for the sector.

51. It is also recommended that AusAID channel its development funding through RWSS's budgetary system to strengthen its systems and support its role as the focal point for the sector.

### **4.5 Outputs under Component No. 3 (Establish sustainable and inclusive operation and maintenance models)**

#### **4.5.1 Fees for Sustainable O&M Introduced.**

52. With SIG unable to provide any budget for operation and maintenance of Watsans, user fees are arguably the only feasible way of meeting any recurrent costs for a system and ensuring its sustainability. User fees however, must be introduced carefully in the subsistence economies of rural areas, and should be based on some assessment of affordability in the village. The affordability assessment must be included as part of the community preparation exercise for a new system, and carried out as a separate exercise for rehabilitation works. Training of RWSS staff on these issues is required to provide them with the knowledge to discuss the topic openly with communities, and explain to them how to collect the fees and manage them as part of an overall maintenance fund for the village.



53. Together with user fees, the issue of spare parts needs to be discussed with communities, including aspects such as suitability, availability and cost. RWSS, as part of its efforts to improve sector planning and coordination, will need to address this issue at the design and procurement stage, ensuring that system components can be replaced in-country. As part of its annual plan, RWSS should make provision for return visits to a sample of existing systems to assess ongoing sustainability issues, especially the issue of spare parts, and provide ongoing advice and support to the village on the O&M.

54. Community consultations should cover the possibility of subsidy mechanisms to help the poor in the village, or perhaps ways of allowing them to contribute in-kind to the ongoing maintenance of the system. Mechanisms for linking the maintenance of the local school Watsans should be considered at the community preparation stage, and included in the agreement with RWSS as a conditionality.

#### **4.5.2 Communities Skilled in O&M.**

55. Adequate training of village technicians and the provision of appropriate tools is an essential part of the community preparation exercise for both new and rehabilitated systems. Similarly, training also needs to be provided at this stage to the village water committee on the management of the maintenance fund, and how it can demonstrate accountability to the community on the utilization of the funds. Guidelines on O&M and maintenance fund management need to be developed to complement those for improved design and implementation. It will be necessary to build capacity in RWSS to develop these skills where necessary so that they can guide communities accordingly. Women representation as village technicians or members of the water committee should be ensured through conditionalities in the agreement with RWSS.

#### **4.5.3 Rehabilitation of Watsans**

56. Anecdotal data on failing or under-performing systems is available at most provincial RWSS offices. This data can be collated and formulated into an annual rehabilitation plan, which should be a component of RWSS's overall investment plan. The annual rehabilitation plan should make provision for audits of several existing systems known to have failed since installation. The findings of the audits should be discussed with the community, and a rehabilitation plan prepared for each village demonstrating commitment and a willingness to contribute. Rehabilitation initiatives such as this will also provide RWSS with valuable lessons for the installation of future systems.

## **4.6 Outputs under Component No. 4 (Establish sustainable systems for improved hygiene awareness and develop demand for socially inclusive sanitation)**

### **4.6.1 Enhanced Awareness in Schools and Communities**

57. Once proper sanitation facilities have been installed in schools under SIACWSI, it will serve as a good foundation for generating greater awareness about health and hygiene, as well as providing schoolchildren with the opportunity to practice what they are learning. Currently, hygiene education is only included in Grades 1 and 2 at schools. It really needs to be included in the curriculum for higher grades, if children are to become the agents of change. The Curriculum Development Centre (MEHRD) is currently working on changes to the standard curriculum for schools, and this would be a good opportunity for SIACWSI to support the inclusion of hygiene education in the curriculum for higher grades.

58. Hygiene awareness in communities needs to start during the community preparation stage, and reinforced through the installation and commissioning stages. RWSS and other development partners, given adequate training, will ensure that communities understand the vital linkages between health and hygiene and are willing to invest in proper sanitation. Hygiene awareness would become a component of the preparation process for any WATSAN system, and hence the overall initiative would be referred to as WASH.

### **4.6.2 Resources for hygiene awareness and education available at the provincial level.**

59. HPU have skills in hygiene awareness and education, but have limited resources. It is proposed that HPU build capacity in hygiene awareness and education at MEHRD's Regional Training Centres (RTCs) throughout the country. The RTC's could then be used to train RWSS provincial staff, and provide some form of accreditation.

## **4.7 Indicative Program Benefits**

60. The Program is expected to directly benefit up to 100,000 rural poor people. This is an indicative figure only, as the exact content of the Program will be adjusted to suit the evolving needs of the sector during its duration. Table 2.0 below provides a summary of the indicative key performance indicators as set out in the Design Framework, together with the anticipated benefits.



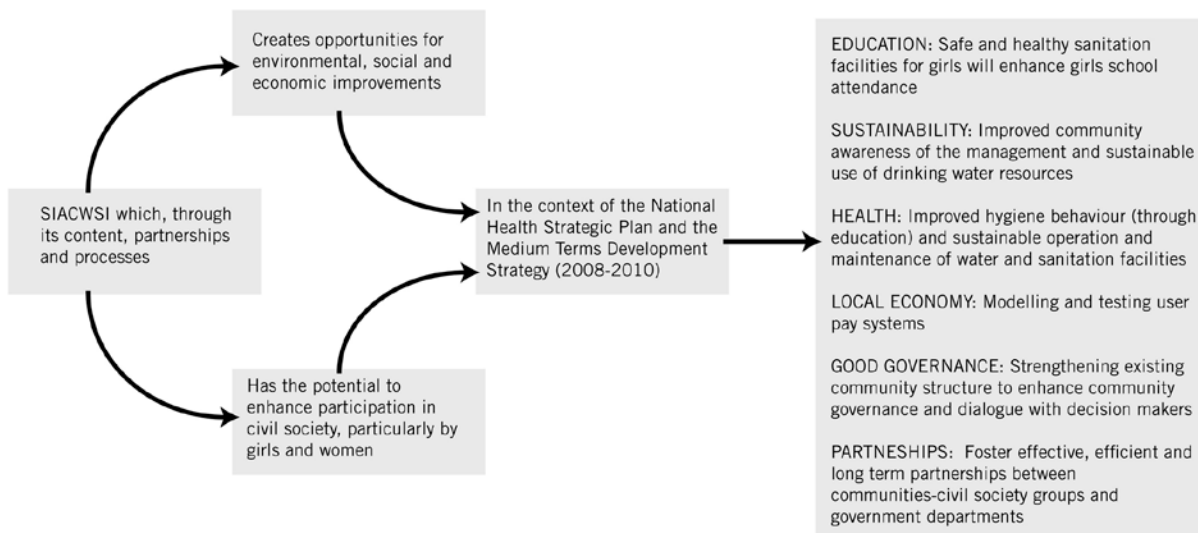
**Table 2.0 Indicative Performance Indicators**

Performance Indicator	Benefits
<b>Component 1.</b>	
Number of additional people with access to an improved water source.	100,000
Number of additional people with access to improved sanitation.	100,000
Number of additional schools with water, sanitation and hand washing facilities.	75
<b>Component 2.</b>	
Approval of National Policy, sector strategy and institutional reform plans.	
<b>Component 3.</b>	
Percentage of Watsans operational after 3 years.	80%
Percentage of targeted communities with O&M funds established and functioning.	80%
Percentage of women members in WASH committees in targeted communities.	30%
<b>Component 4.</b>	
Number of additional communities with 100 percent open defecation free environment.	>140
Percentage of households in targeted communities with a hand washing facility and soap that is being used.	80%
Number of communities participating in hygiene behavior programs.	>140

#### 4.8 Cross-cutting Issues

61. **Poverty.** SIACWSI seeks to make a direct contribution to MDG 7, Ensuring Environmental Sustainability (Target 3: Halve by 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation); MDG 3, Promote Gender Equality and Empower Women (Target 1: Eliminate gender disparity in primary and secondary schools preferably by 2005, and in all levels of education no later than 2015); and MDG 2, Achieve Universal Primary Education (Target 1: Ensure that, by 2015 children everywhere, boys and girls alike will be able to complete a full course of primary schooling).

## POTENTIAL CONTRIBUTION TO THE ACHEIVEMENTS OF THE MDGs



62. SIACWSI will seek to reduce poverty in rural communities by improving access to two essential basic services, clean water supply and proper sanitation, resulting in an improved quality of life for the rural poor, especially women. Poor health, which is another dimension of poverty, will be improved through a greater emphasis on sanitation and hygiene awareness and education as integral components of any WASH scheme.

58. **Gender.** It is well documented that women and girls bear the majority of the load in situations where there is poor access to water and proper sanitation. Girls are also less likely to stay at schools where there are no private and safe sanitation facilities, particularly after puberty. This in turn exacerbates the poor education outcome for girls, impacting on the long term opportunities for women. Community mobilization and preparation activities at the commencement of any new WASH scheme will incorporate a theme on gender-neutral planning, implementation and management. This will be supplemented by conditionalities in the agreement with RWSS requiring a minimum representation of women as village technicians, and an equitable representation of women on the village committee managing the maintenance fund. Further, a gender fund of \$50,000 is to be established within the SWAp account that can be used to support small-scale gender-based activities that emerge during the implementation of SIACWSI; the design of and support for these activities will be approved by the Project Steering Committee.

63. The Program will also encourage greater women's participation within RWSS through equal opportunity recruitment processes, gender-sensitive working conditions and merit-based remuneration. By having greater women's representation in RWSS, the role of women in the village environment can be better integrated into the overall WASH design. Such gender issues will need to be addressed in the proposed sector strategy, and incorporated into RWSS's annual operational plans to be approved by PSC.

64. **Disadvantaged Groups.** As part of the initial community preparation for a proposed WASH scheme, disadvantaged groups such as disabled, elderly and HIV/AIDS-affected persons in the community will be consulted on how the design features of the Watsan can accommodate their particular disability/disadvantage. Provisions will be built into the design of the Watsan to accommodate their level of disability/disadvantage, such as ramps and wider latrine doorways, and these features will form part of the agreement with RWSS. Discussions will also be held with the wider community in general to assess the possibility and cost implications of the Watsan being based on the concept of universal design. This concept can be useful, especially for people approaching a senior age, but whose level of inactivity is not yet apparent, and therefore do not appreciate the need for special features.

65. **Child protection.** To support AusAID's policy of ensuring adequate child protection, all procurement contracts, either with SIG or with AusAID, will incorporate a clause providing an assurance that children of school age have not and will not be exploited in the provision of goods or services under the contract.

60. **Environment.** Improving water supply without sanitation and improved sanitary practices invariably leads to a deterioration of the local environment. A lack of drainage for improved water supplies and a reliance on bush toilets pollutes groundwater and nearby surfacewater sources. Under SIACWSI, increased emphasis on hygiene education will help to generate an awareness and demand for proper sanitation, which will be supported by regulatory provisions in the agreement with RWSS requiring sanitation facilities as an integral part of the WASH. Water conservation and pollution prevention will form an integral component of the school and community awareness raising activities.

66. RWSS and its development partners will also need to liaise closely with the Ministry of Conservation and Climate Change, which is responsible for water resource management, to ensure abstraction of spring and creek water for water supply will not degrade the environment, and is compatible with the Ministry's policies and regulations. The Ministry of Conservation and Climate Change will be a key representative on the national stakeholder committee.

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## 5.0 Procurement

67. In the Solomon Islands, under the Partnership for Development, AusAID is increasingly moving away from the traditional model of aid delivery using a managing contractor and a trust account for procurement of materials, toward a more targeted budget approach or a sector-wide approach (SWAp). These innovative mechanisms are designed such that the aid is provided to the partner government to manage within an agreed framework of conditionalities, thereby helping to strengthen government systems through "*learning by doing*". Adoption of a SWAp arrangement would reflect AusAID's commitments in this regard under the *Paris Declaration on Aid Effectiveness*.

68. Donors feel most comfortable in entering into a SWAp when all policy and legal frameworks are in place, and the partner governments have tried and tested accounting and implementing systems. This is not entirely the case with SIG, although a draft national policy has been prepared, and a strategic framework is called for under the Program, as well as improved institutional frameworks. Furthermore, AusAID has already invested in a SWAp for the health sector through HSSP (2008), which has installed a financial management adviser in MHMS to strengthen the accounting and reporting procedures normally required under a budget support initiative. Although the adviser's work is not yet complete, much has been achieved, as noted in Section 3.5, and the effectiveness of the financial management system is already attracting other donors to support the development partners' SWAp account. In addition, World Bank has been supporting a SWAp arrangement with MEHRD for the education sector over the past four years, and the Ministry of Development Planning and Aid Coordination advises that it is working quite well to date.

69. The short-term ACWSI, whose quick success has been widely recognized within MHMS, did in fact use a SWAp style arrangement, in which AusAID provided technical assistance to SIG's National Program for WASH. It has proved to be very successful in clearing a substantial backlog of Watsans, so much so that the Ministry of Finance awarded RWSS an additional funding allocation for 2009 because of its demonstrated ability to utilize its budget. The Program design builds on the success of this model, and proposes that AusAID provide direct funding support to the Development Partners' SWAp Account, which was established under HSSP for the whole of the health sector, and is managed by MHMS. Since rural WASH is clearly seen as part of the health sector and therefore the responsibility of MHMS, this account can rightly serve the needs of RWSS, albeit a sub-account would need to be established to ring-fence rural WASH, in much the same way as a sub-account has been established for malaria initiatives. RWSS could then access the budget in the sub-account for the procurement of Watsans for communities and schools using SIG procurement guidelines. Auditing of the account will be under the auspices of the National Audit and Finance Committee, which has an audit officer seconded to MHMS for liaison and coordination purposes. It is recommended that provision is made in the funding agreement for adequate budget allocation to cover Program activities such as more frequent provincial travel, training, workshops and other operating expenses, to ensure that the final outputs are not compromised.

70. Oversight of the SWAp account will be provided by the Program Steering Committee, which will meet two times each year to assess the performance of the Program, account utilization, and to provide approval for the next tranche release. Release of each tranche will be conditional upon a level of utilization of funds in the preceding period of not less than 70 percent. The PSC will be established and chaired by MHMS, and will include representatives from the Ministry of Finance, Ministry of Development Planning and Aid Coordination, the Central Bank and AusAID, with RWSS serving as the Secretariat.

71. Although this design document argues the case for a SWAp form of aid delivery, it is recognized that RWSS does not yet have the capacity to completely fulfill its role as the main focal point in the sector, and it does require further strengthening and support. This was

recognized under the short-term ACWSI, and a sole technical adviser has been in place since early-2009 to provide day to day support and guidance. Interviews with key people in EHD/RWSS have led the design team to conclude that this level of support has worked very well in helping the line agency strengthen its capacity, and in a very cost-effective manner. It is recommended therefore, that the Program adopt this approach and build on the success of the short-term initiative. A sole long-term technical adviser is proposed to support RWSS in Honiara, having a full-time role over the first half of the Program, reducing to part-time over the latter half, as RWSS grows and develops capacity. SIACWSI really needs to start immediately after the end of the short-term initiative in June 2009 to achieve maximum development impact. However, there will be insufficient time (6-8 months) to recruit a technical adviser under AusAID's normal competitive bid procedures by that date. It is recommended therefore, that AusAID engage the incumbent technical adviser on a sole selection basis to enable mobilization of SIACWSI by June 2009, and maintain the momentum of the development effort. It is worth noting that the position calls for a generalist with good interpersonal skills, and an ability to work effectively in the local environment; the incumbent adviser has amply demonstrated these qualities over the past 12 months. In the management contract, it is recommended that provision also be made for a suitable vehicle, together with associated recurrent costs and general office costs. It is also suggested that the nation-wide hygiene and behavioral survey proposed to establish baseline data sets be included under the management contract, as it will involve close liaison with an Australian-based university, and this would be better facilitated by an Australian-based managing contractor.

72. To support the range of activities proposed under SIACWSI, it is recognized that RWSS will need additional specialist support from time to time, and provision is made in the cost estimates for short-term specialists in the fields of gender, occupational health, tariffs/user fees, community development, information technology, training, monitoring and evaluation and strategic planning. The need for these specialists and the actual timing of their inputs will be determined by RWSS's project manager and the long-term technical adviser, and included in the annual plan for each year. The specialists will need to be recruited directly by AusAID, however, to minimize the administrative workload on the Post in their recruitment, it is recommended that they be engaged on individual service agreements through AusAID's period contract facility.

73. In summary, it is recommended that procurement is based on a hybrid arrangement of a targeted budget approach within the existing SWAp account for the health sector for the procurement of Watsans, and supported by a long-term technical adviser engaged under sole selection procedures in a management contract with AusAID. Further individual specialist support will be provided as and when necessary, and engaged directly by AusAID under one of its period contracts.

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## 6.0 Cost Estimates and Funding Plan

74. SIACWSI is essentially aimed at strengthening SIG's capacity in the sector, and while hardware achievements are obviously important, it is the focus on processes and frameworks that is the main feature of the program design. In this respect, although outputs are clear and measurable, the subordinate activities are descriptive and indicative and need to be developed in detail during implementation in each successive year's annual plan. Cost estimates, which are detailed in Appendix 6, are based on this premise, and are presented in a funding plan in Table 3.0. The total funding for the Program is \$12.062million, with funding sources of \$8.0million allocated from the Bilateral Health Program base appropriation, \$3.0million allocated from base budget (Canberra), and \$1.062million allocated by SIG.

**Table 3.0 Indicative Program (SIACWSI) Funding (\$'000)**

Budget Description	Years				Total SIG	Total GoA
Year/Funding	2010-11	2011-12	2012-13	2013-14		
<b>GoA budget support</b>	2,015	2,293	2,361	2,489		<b>9,158</b>
<b>GoA technical support (management contract)</b>	400	290	177	121		<b>988</b>
<b>GoA technical support (period contracts)</b>	668	91	15	29		<b>803</b>
<b>Add Contingency</b>	20	12	12	7		<b>51</b>
<b>GoA Total for SIACWSI</b>	<b>3,103</b>	<b>2,686</b>	<b>2,565</b>	<b>2,646</b>	<b>-</b>	<b>11,000</b>
<b>By Component</b>						
<b>Component 1 – Increase coverage of WASH</b>	1,800	2,113	2,181	2,300		<b>8,394</b>
<b>Component 2 – Sector Coordination</b>	450	150	110	110		<b>820</b>
<b>Component 3 – Sustainable O&amp;M models</b>	345	170	110	90		<b>715</b>
<b>Component 4 – Hygiene &amp; sanitation awareness</b>	450	212	137	110		<b>909</b>
<b>Contingency</b>	42	40	40	40		<b>162</b>
<b>SIG (budget)</b>	<b>227</b>	<b>253</b>	<b>278</b>	<b>304</b>	<b>1,062</b>	<b>-</b>
<b>Totals</b>	<b>3,330</b>	<b>2,939</b>	<b>2,843</b>	<b>2,950</b>	<b>1,062</b>	<b>12,062</b>

## **7.0 Implementation Period**

75. It is proposed that SIACWSI commence in July 2010, immediately following the completion of the short-term initiative, giving something of a seamless transition between the two. Implementation is proposed over a 4-years period, which will allow adequate time for the development and approval of the enabling frameworks, the development, testing and rolling out of improved planning and implementation frameworks, and the monitoring and evaluation of the new sector arrangements over a period of 1-2 years. Appendix 7 shows the indicative implementation schedule.

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## **8.0 Monitoring and Evaluation**

76. Currently, there are no national government databases or data collection systems to measure sector performance. Individual databases may exist within the organization of different development partners, but they are not shared or coordinated in any way. Under SIACWSI it is proposed therefore, to develop and establish a national WASH database to be managed by RWSS.

77. The design framework (Appendix 5), which is based on the Performance Management Framework document (prepared separately), will guide the development of the database, as it is this document that will be used to monitor progress toward the Program goal, purpose, outputs and activities. To be able to report progress in accordance with MDG Target 7, during the first year of the Program a baseline of quantitative and qualitative data on WASH facilities and behavior will be established; please refer to the Performance Management Framework for further details. Data collection will involve field visits to representative sample villages, collation of anecdotal data and records from RWSS provincial offices and other development partners, and structured surveys in each geographic region of the country. The database will be updated each year by data collated from improved record-keeping under SIACWSI, operational data gleaned from community visits by all development partners, and qualitative data collected from a representative sample of villages. Reporting of Program progress, as measured by the WASH database, will be prepared by RWSS and reported annually to MHMS and AusAID.

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## **9.0 Sustainability Issues**

78. Sustainability is a key issue given that there are over 50 percent of existing water supply systems that have either failed or are under-performing to some extent. Although it is recognized that some systems have failed due to damage sustained during the tensions period, there is still a large number that are not supplying clean water to communities for other reasons; a similar situation exists in schools. Table 4.0 presents a brief summary of the issues that pose risks to the sustainability of WASH initiatives, and the measures proposed under the Program to address them.



**Table 4.0 Sustainability Issues**

Sustainability Risk	Measures Proposed
<b>Lack of community ownership</b>	Commitment to contribute to the WASH at the time of application evaluation is to be included as a key criterion in the screening process. Introduction of such a competitive element into the selection process will help allocate resources more effectively.
	Education and awareness are to be vital components of the initial community preparation exercise.
	Women will be trained as village technicians, in recognition of their role as “water manager” for the family. This issue is to be a condition in the agreement with RWSS.
<b>No funding to support ongoing O&amp;M</b>	Communities will be trained in the collection of user fees and the management of the maintenance account, and how they can demonstrate accountability to the community. An equitable representation of women to be on the management committee, and secured through a condition in the agreement with RWSS.
	User fees to be introduced into the community as a condition of the WASH implementation.
<b>Lack of spare parts</b>	Designs to be standardized to minimize the problems of repair.
	Under RWSS’s greater coordinating role, procurement of materials is to be standardized, with the issue of spare parts availability being a vital criterion in the bid evaluation process.
<b>Communities have no support following installation</b>	RWSS to introduce an ongoing support component to its overall work program aimed at helping communities address problems or fill any knowledge gaps.
	WASH database can help to identify Watsans at risk of failure and in need of help.
<b>Schools have no recurrent budget for O&amp;M</b>	New and rehabilitated community Watsans to be linked to local school Watsans in the agreement with RWSS, setting out clearly the community’s enhanced role and responsibility in supporting the O&M of the school Watsan.
<b>Sanitary practices not adopted</b>	Greater emphasis on developing awareness and providing education to overcome social and cultural barriers to correct sanitary practices, especially at schools. The aim is to convert sanitation provision to a demand-driven activity, which will engender the sense of ownership.



## 10.0 Risk Management

79. Many of the minor risks associated with the field-level implementation of the Program are managed through the inclusion of conditionalities in the agreement between RWSS and the community, such as the requirement for the introduction of user fees or women's participation as a condition for WASH support. The risks assessed here are at the national level. Table 5.0 below presents a matrix of these risks and the management strategies employed to mitigate them.

**Table 5.0 Risk Assessment Matrix**

Risk	Risk Level	Management Strategy
<b>Political instability and civil unrest.</b>	Low	RAMSI's ongoing dialogue with SIG.
		RAMSI's ongoing support to the SI police force.
		AusAID's emergency evacuation procedures.
<b>MHMS's financial accounting and reporting procedures not adequate to manage a SWAp.</b>	Low	Strengthening of MHMS's financial accounting and reporting procedures currently underway under HSSP.
		Experience gained under HSSP utilized under SIACWSI.
<b>SIG counterpart budget support falters.</b>	Medium	Technical support to RWSS will enable it to demonstrate good utilization of budget, thus attracting maximum allocation from MoF.
		AusAID lobbying at PSC meetings.
<b>Corrupt practices.</b>	Low	Adoption and enforcement of HSSP financial management requirements and procedures.
		Regular auditing under the auspices of the National Audit and Finance Committee.
		Review of audit reports by PSC, on which AusAID is represented.