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Global Water Security &
Sanitation Partnership
Annual Report 2018

Water's Edge: Rising to the Challenge of a Changing World



GWSP
GLOBAL WATER
SECURITY & SANITATION
PARTNERSHIP



WORLD BANK GROUP
Water

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1818 H Street NW, Washington, DC 20433

Telephone: 202-473-1000; Internet: "<http://www.worldbank.org>" www.worldbank.org

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TABLE OF CONTENTS

Executive Summary.....	7
1. RISE to the Challenge: The Road to 2030	13
2. ADD Value.....	19
3. SHARPEN the Focus: Investing in Five Priority Themes	27
<i>Sustainability</i>	30
<i>Inclusion</i>	35
<i>Finance</i>	38
<i>Institutions</i>	42
<i>Resilience</i>	47
4. ACHIEVE Results	53
Annex A. Financial Update.....	59
Annex B. Results Progress	62

THE GLOBAL WATER SECURITY & SANITATION PARTNERSHIP (GWSP)

The GWSP is a multidonor trust fund (MDTF) administered by the World Bank's Water Global Practice and supported by Australia's Department of Foreign Affairs and Trade; the Bill & Melinda Gates Foundation; the Netherlands' Ministry of Foreign Trade and Development Cooperation; Norway's Ministry of Foreign Affairs; the Rockefeller Foundation; the Swedish International Development Cooperation Agency; Switzerland's State Secretariat for Economic Affairs; the Swiss Agency for Development and Cooperation; Irish Aid; and the U.K. Department for International Development.

In addition to the GWSP, the Water Global Practice supports other MDTFs, including the 2030 Water Resources Group, the Central Asia Energy-Water Development Program, the Danube Water Program, the Cooperation in International Waters in Africa Program, and the South Asia Water Initiative.

ACRONYMS

ASA	Advisory Services and Analytics (World Bank)
B	billion
CWIS	Citywide Inclusive Sanitation
DFID	Department for International Development (United Kingdom)
DLI	Disbursement-Linked Indicator
ESMAP	Energy Sector Management Assistance Program
EU	European Union
FCA	fragile and conflict-affected
FSM	fecal sludge management
GDP	gross domestic product
GHG	greenhouse gas
GPOBA	Global Partnership on Output-Based Aid
GSG	Global Solutions Group
GWSP	Global Water Security & Sanitation Partnership
HSAP	Hydropower Sustainability Assessment Protocol
HWA	Hargeisa Water Agency (Somaliland)
IFC	International Finance Corporation (of the World Bank Group)
JMP	Joint Monitoring Programme
K&L	knowledge and learning
M&E	monitoring and evaluation
MDG	Millennium Development Goal
MFD	maximizing finance for development
MFI	microfinance institution
MHM	menstrual hygiene management
MIGA	Multilateral Investment Guarantee Agency (of the World Bank Group)
NRW	nonrevenue water
O&M	operations and maintenance
PIR	Policy, Institutional, and Regulatory
PPIAF	Public-Private Infrastructure Advisory Facility
PPP	public-private partnership
PSP	private sector participation
RBF	results-based finance
SDG	Sustainable Development Goal
UNICEF	United Nations Children's Fund
UTF	Utility Turnaround Framework
WASH	water, sanitation, and hygiene
WASH PD	WASH Poverty Diagnostic
WPP	Water Partnership Program
WRM	water resources management
WSC	Water Scarce Cities Initiative
WSP	Water and Sanitation Program
WSS	water supply and sanitation

All dollar amounts are U.S. dollars unless otherwise indicated.

FOREWORD

Over the past 12 months, the world has seen water in its extremes. In the same year, the City of Cape Town, South Africa, announced “day zero,” the day on which it was predicted the city would run dry, and a million victims of massive flooding were evacuated from Kerala, India. Floods, droughts, infrastructure shortfalls, and poor water resources management all made global headlines. Countries are facing a new normal where water is either “too much, too little, or too polluted.”

These disasters compound mortality and vulnerability in an already fragile world, where 2.1 billion people still lack access to safely managed water and 4.5 billion lack safely managed sanitation. The challenges are exacerbated by a cycle of conflict and violence that has produced more than 25 million refugees who, among other challenges, create enormous demands for water and sanitation and imminent risks to the environment. It is increasingly clear that decisions about how water is managed have greater consequences than ever before.

The World Bank’s Water Global Practice (GP) is uniquely well-placed to respond to this growing complexity. Driven by the vision of “a water secure-world for all,” its staff of nearly 300 professionals in 64 countries partner with clients to build their capacity to better manage water services across five business lines. Backed by a lending portfolio of \$29 billion, the Global Water Security & Sanitation Partnership (GWSP) serves as a “think tank” that bolsters sustainable project outcomes by investing in innovation and intellectual leadership. The partnership, which expands the presence of GP staff around the world, ensures that first-rate knowledge and research flow both from and to our lending portfolio. GWSP analytics and knowledge assist governments and other partners in building capacity and strengthening the institutions, infrastructure, and inventiveness needed to adequately supply current and future generations with water, food, and energy.

As the outgoing and incoming Senior Director of the GP, we renew our unwavering commitment to ensuring GWSP remains an integral and globally influential resource. We would like to take this opportunity to thank our outstanding partners for cocreating a results-focused program that expands the impact of our lending, and invite new partners to join us in rising to the challenge of our changing water world.

Sincerely,



Guangzhe Chen
Outgoing Senior Director
Water Global Practice



Jennifer Sara
Incoming Senior Director
Water Global Practice

A NOTE FROM THE PROGRAM MANAGER

Welcome to the next chapter in water security. In 2017, ten partner agencies and the World Bank's Water Global Practice (GP) launched the new Global Water Security & Sanitation Partnership (GWSP), an integrated platform for working alongside countries as they rise to their next water challenge. The GWSP builds on the foundation of its two predecessor programs: the Water and Sanitation Program (WSP) and the Water Partnership Program (WPP).

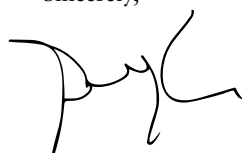
This year, the United Nations family concluded that the world is not on track to reach the Water Sustainable Development Goal (SDG 6) by 2030. Pollution is worsening, ecosystems are in decline, and country institutions have insufficient capacity and financing to make the investments needed to reach their targets. There is neither time—nor water—to waste.

Over the next five years, the GWSP aims to invest up to \$200 million in low- and middle-income countries. Partnership resources will be used to boost demand for innovative investments and to improve the way water sector institutions function. The goal is to see one country after another achieve better development outcomes—across a range of sectors—through water management practices that mitigate risk.

To more effectively bring critical resources to the front lines, the GWSP has been designed as a Water GP core asset—its “think tank,” which expands and deepens the impact of its lending program. The partnership leverages knowledge and analytics to improve World Bank lending operations in ways that more effectively reach people in need. GWSP-funded analytics and technical assistance to 31 countries has already influenced the size and shape of lending. In 2018, Bank lending in water reached an unprecedented \$4.6 billion, one third of which is leveraging a new development approach that pays for long-term results rather than inputs. This is just one demonstration of how clients are asking for more programmatic investments that empower country institutions over traditional, siloed infrastructure projects. Such a shift in thinking would not have been possible without the upstream analytical and knowledge contributions of the WSP and WPP across a range of countries over the previous decade.

We would like to thank the former GWSP Program Manager, Maria Angelica Sotomayor, and the donors for their pioneering efforts in designing the first integrated multidonor trust fund in water. Our hope is that this new, efficient structure—which feeds lending operations with GWSP-funded knowledge—will help our clients achieve more sustainable development outcomes. In the process, we hope to build a more influential GP that will be the partner of choice for decades to come. We welcome those who want to help us write the next chapter in water security.

Sincerely,



Joel Kolker
GWSP Program Manager



EXECUTIVE SUMMARY

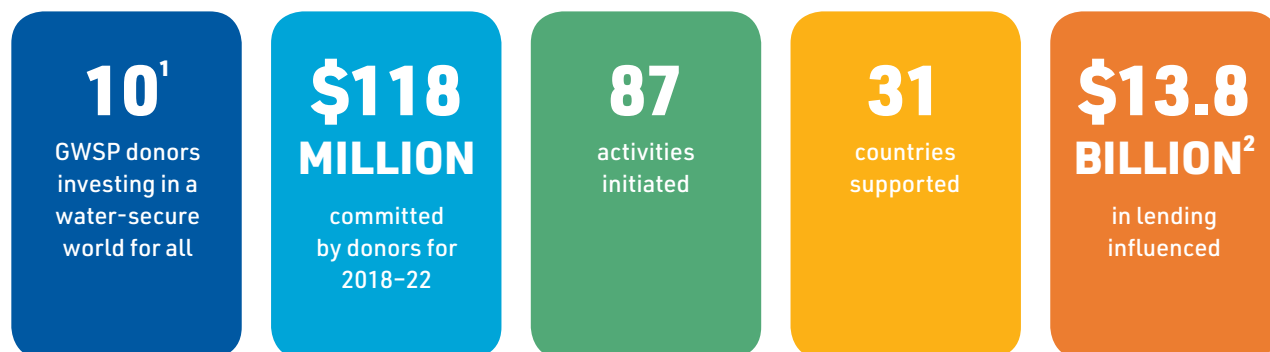
Many of the challenges of our time revolve around water. Fortunately, so do their solutions. Human health and human capital are boosted when water and sanitation services are provided to all.

Water is a buffer against climate change through its role in adaptation. Food insecurity is reduced through better drought management practices. And political crises can be abated by better engaging communities in the management of public services. Water—either as sustenance or menace—is part and parcel of every one of the 17 Sustainable Development Goals (SDGs), from nutrition, to education, to disaster risk management.

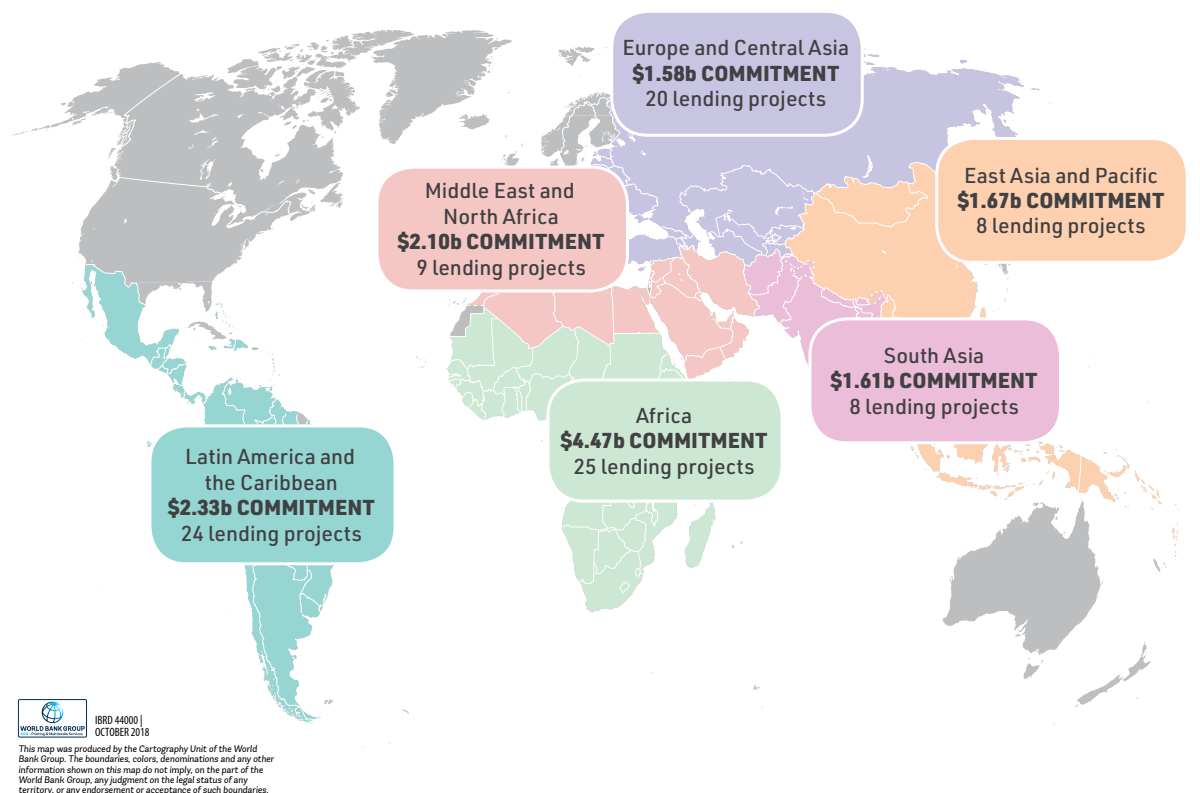
It has never been more important to make the most of our water resources. The World Bank and its partners have risen to the challenge by launching the Global Water Security

& Sanitation Partnership (GWSP). GWSP builds on 40 years of experience—through the Water and Sanitation Program (WSP) and the Water Partnership Program (WPP) of investing in innovation to change the water landscape. Innovative in its own right, the GWSP, for the first time, brings together the knowledge and lending arms of the Water GP to ensure knowledge and innovation can flow seamlessly under one organizational roof. This 5-year strategic partnership requires \$200 million to achieve results in five priority themes that are deemed critical for the SDGs. To date, \$118 million has been raised for the program.

GWSP AT A GLANCE



GWSP INFLUENCE ON GLOBAL LENDING



- 1 Including the U.K. Department for International Development (DFID) and Irish Aid, which have rolled over their previous contributions to the WSP and WPP to the GWSP.
- 2 Of the total \$13.8 billion (as shown on the map), \$8.2 billion is directly influenced by activities as reported through program initiation in the World Bank's operations tracking system. This figure was adjusted—by an additional \$5.6 billion—through the FY18 reporting process. This number is expected to fluctuate over the lifetime of the GWSP to account for ongoing and newly approved projects.

FY18 KEY ACHIEVEMENTS

Frontline **RESPONSE TO CRISES**: refugee, drought, conflict

Scaling up results-based lending: **\$4 BILLION** influenced by water partnerships past and present

Global reach: The Bellagio Principles universally guiding how we **VALUE WATER** in all its forms

Financing the SDGs: thought leadership in **20** global events to shift mindsets about commercial finance

Achieving results: **15.7 MILLION** people directly benefited from improved water supply services; **11.5 MILLION** people from improved sanitation; and **1.8 MILLION PEOPLE** from improved irrigation services



The World Bank's Water Global Practice (GP), for the first time since its inception in 2014, is providing support to all water subsectors under one umbrella partnership—the GWSP. This allows the GP to merge sector operations and donor resources into a single management structure.

The direct result for the GP has been a more effective corps of water professionals that can better integrate solutions across the wide water spectrum. For our clients, it means stronger positioning of the water sector's role in meeting national objectives, raising the profile of water in the economy.

The Water GP can achieve significantly better, more sustainable results through its lending operations when it taps into the innovation, knowledge, and flexibility afforded by GWSP resources. The program supports the bulk of the analytical work and technical assistance in the Water GP, complementing World Bank lending operations and country dialogue in three ways. First, it supports the GP's global platform in continuously shaping the water debate, bringing the most relevant and timely evidence to the world stage. Second, the partnership adds value to the work of other practitioners by helping them mainstream better water resources management principles into their sectors, from energy to education. Third, it complements the current World Bank funding model, building out and linking across the scale, timing, and scope of country based lending. Together, these three GWSP contributions are strengthening World Bank investments in ways that produce more sustainable impacts.

This report covers the period from July 1, 2017, through June 30, 2018, and is structured around the primary contributions the GWSP made during its inaugural year to:

RISE to the Challenge (chapter 1), by serving as an integrated platform where both Bank lending and partnership resources are jointly programmed by task teams. By consolidating the WSP and WPP programs and combining all water subsectors under one new partnership, the GWSP embodies the concept of “one water” as defined by SDG 6.

ADD Value (chapter 2), by doing what cannot be done with World Bank resources alone. The GWSP synergizes with World Bank lending by enhancing portfolio performance across \$13.8 billion in lending projects. At the same time, Water GP staff work alongside clients to build capacity. The “knowledge in implementation” approach ensures that research feeds into program design and then back into the next cycle of knowledge generation. This “think tank” approach is a practical mechanism for assisting client countries and consolidating the evidence base needed to guide the global water debate. Through its complementary support to World Bank lending programs (including projects in other sectors), GWSP's reach is expansive and its impacts reverberate far beyond the Water GP.

SHARPEN the Focus (chapter 3), by investing in nine focus countries as well as globally in five priority themes. These themes have been identified by the GWSP partners as critical to achieving the SDGs, and serve as an entry point for shifting the way governments invest their own resources:

- Integrated approaches to **sustainable** sanitation and hydropower assessment are changing the way clients themselves approach complex challenges.
- Cutting-edge research and roundtables on **inclusion** are helping teams incorporate gender and citizen engagement into project components in the rural water, rural sanitation, education, and agriculture sectors.

THE GWSP IS INFLUENCING \$13.8 BILLION IN WORLD BANK LENDING, OF WHICH:

\$11.6 B IN WATER

Water Supply & Sanitation
Water Resources Management
Water, Poverty & Economy
Hydropower & Dams
Water in Agriculture

\$2.2 B IN OTHER SECTORS

Energy
Urban
Agriculture
Health
Environment
Governance
Climate Change

- Governments are strengthening their countries' **resilience** to disasters and other shocks through the application of a freshwater framework for improved decision making. Fragile and conflict-affected (FCA) countries are using new evidence to understand risks to water security.
- Global frameworks on **institutions** are helping clients understand the incentives needed to foster change, and operational lending is now more strategically focused on building capacity across multiple levels of government, simultaneously, and in a cohesive manner.
- Technical assistance on building utility creditworthiness is helping to bridge the commercial **finance** gap so the sector can tap into new money while enhancing efficiency, affordability, and sustainability.

Moreover, a selected country is highlighted under each theme to demonstrate the breadth and depth of multiple GWSP interventions ongoing throughout the year. By taking a more succinct look at GWSP influence across a country, these spotlights demonstrate how strategic investments are helping to shift the needle at the national level.

ACHIEVE Results (chapter 4) introduces the new GWSP results framework, which shows the impact of GWSP-funded analytical work and country dialogue on downstream lending. Anchored by this one united results framework, task teams across the GP are guided toward focusing on sustainability in every country engagement. Three results blocks are introduced, and progress on select indicators is provided for each. The entire results framework is presented in annex B.

During its first year, GWSP had already disbursed \$24.4 million of the initial allocation, mostly to global and regional knowledge and analytics³ activities that support all five priority themes. The Water GP also completed disbursement of the final year of WPP funding, an additional amount of \$10.9 million. Taken together, GWSP and WPP disbursements totaled \$35.3 million. Financial details are provided in annex A.

3 Coded by the World Bank as Advisory Services and Analytics (ASA), this includes knowledge, analytics, and technical assistance to client counterparts.



1 RISE TO THE CHALLENGE: THE ROAD TO 2030

Why is Water Important?

Water insecurity remains one of the biggest global risks of our time. As more frequent floods and droughts capture headlines, governments scramble to understand their role in preventing and mitigating disaster impacts. Food and energy security depend increasingly on water security. Water supply and sanitation (WSS) services struggle to keep up with rapid urbanization, while all too often marginalized rural populations are still being left behind. Without proper policies and planning, strong sectoral institutions, and adequate financing, more low- and middle-income countries will face the dire consequences of water insecurity—poorer human health, slower economic growth, and lost opportunities.

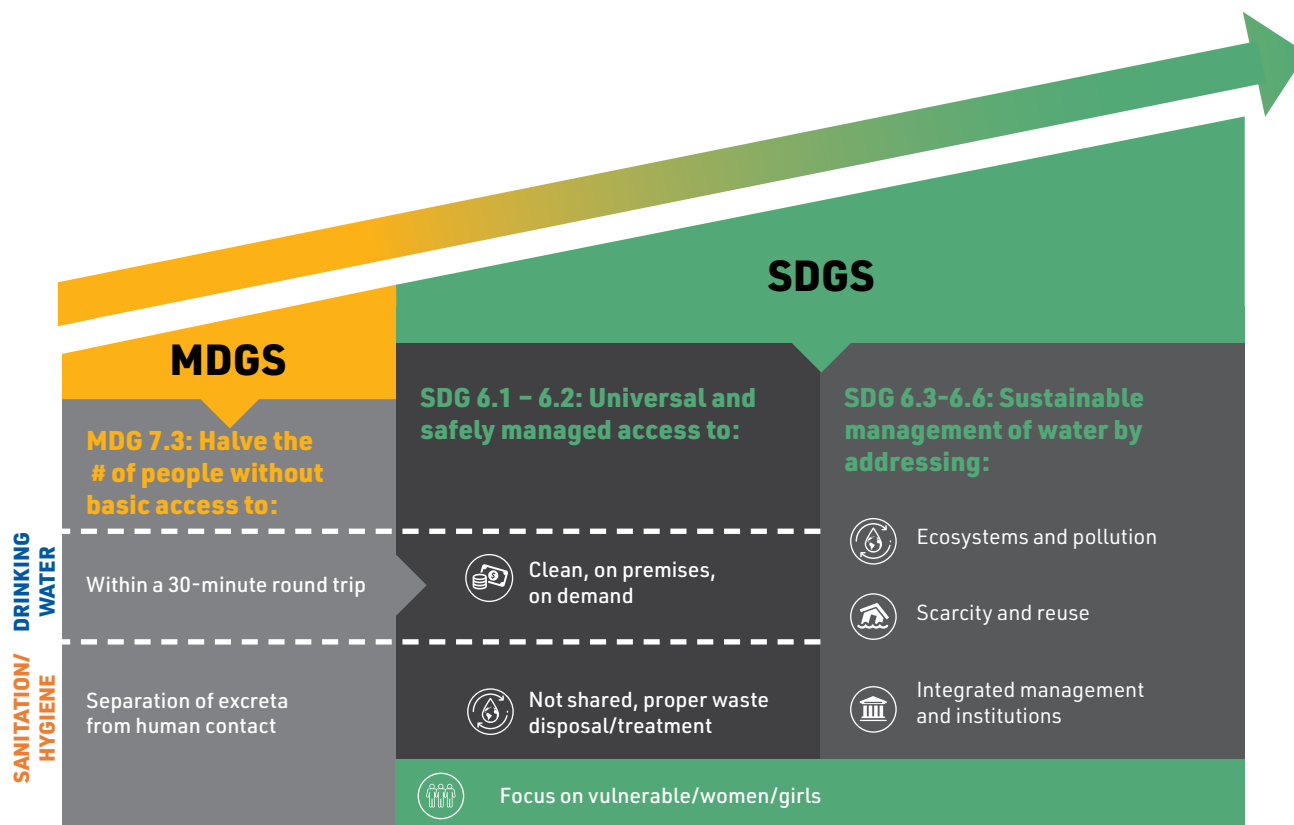
- **9 OUT OF 10** natural disasters are water-related
- **6 IN 10** people use sanitation facilities that are not safely managed
- The crops lost to repeated drought could feed **81 MILLION** people each year

The Great Leap: From the MDGs to the SDGs

The Sustainable Development Goals (SDGs), endorsed in 2015, provide concrete and ambitious targets for countries to address their water security challenges. SDG 6, the “Water SDG,” aims to “ensure the availability and sustainable management of water and sanitation for all.” With its eight individual targets, SDG 6 encourages decision makers to support increasingly integrated solutions. Reaching the SDGs by 2030 will require a redefinition of today’s aid architecture to allow countries to crowd in additional investment.

At the macro level, water resources management challenges require collaboration between sectors as diverse as agriculture, energy, transport, and disaster risk management. At the micro level, getting water and sanitation services to all will require reaching more than a billion additional people.

But universal access is perhaps the relatively easy challenge. There is a magnitude of difference between the water Millennium Development Goals (MDGs) and the water SDGs. In 2000, the goal was to halve the number of people without access to improved services. In 2015, the goal jumped to *universal and safely managed access*, with more requirements, like the walking distance and proximity of water points to a household, and the proper disposal and treatment of fecal waste. The goals are not only ambitious; they also require more innovative and integrated responses than most countries have ever had the resources to consider.



BUILD on a Foundation: Continuity from WSP and WPP

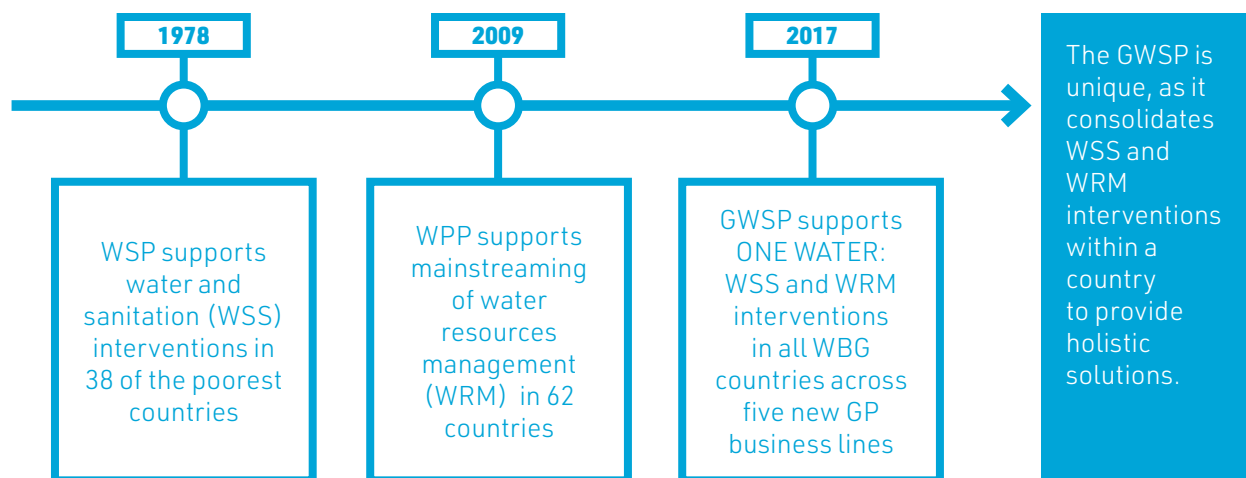
The Global Water Security & Sanitation Partnership (GWSP) was launched by the World Bank Group's Water Global Practice (GP) with its partners⁴ in 2017 to help governments meet SDG 6 and other water-related goals. The program is the culmination of 40 years of water partnership between development agencies and the World Bank. Building on the legacies of the Water and Sanitation Program (WSP) and the Water Partnership Program (WPP), the GWSP consolidates the experience and knowledge produced under both pioneering programs.

By combining the complementary scopes of the WSP and WPP, which focused on WSS and water resources management (WRM) respectively, the GWSP embodies one integrated framework, so the GP can tackle water

challenges in a more holistic manner. The GWSP also provides a seamless continuation of funding for priority needs, allowing the mature initiatives of its predecessors to be streamlined into country programs.

The GWSP is fully aligned with and substantively contributing to the vision of the GP: a water-secure world for all. With GWSP now an integral part of its architecture, the GP for the first time ever has a unique opportunity to align knowledge with operations under the same management structure, providing more flexibility in resource mobilization and greater efficiency. Moreover, by measuring GP success against the GWSP results framework, all water programming is now tied to big picture outcomes across the wide water spectrum.

⁴ Australia's Department of Foreign Affairs and Trade; the Bill & Melinda Gates Foundation; the Netherlands' Ministry of Foreign Trade and Development Cooperation; Norway's Ministry of Foreign Affairs; the Rockefeller Foundation; the Swedish International Development Cooperation Agency; Switzerland's State Secretariat for Economic Affairs; the Swiss Agency for Development & Cooperation; Irish Aid; and the U.K. Department for International Development.



HUMAN CAPITAL: SCARCITY AND THE NEXT GENERATION

Uncharted Waters: The New Economics of Water Scarcity and Variability presents evidence to advance our understanding of how rainfall and droughts affect farms, firms, and families. While a flash flood or low rainfall season may seem to yield short-term challenges for people and industry, this new flagship document shows that the effects are both large and long-term. For example, babies who endure dry shocks in their first 1,000 days will suffer not only throughout their lives, but their children are also more likely to be stunted and less healthy.

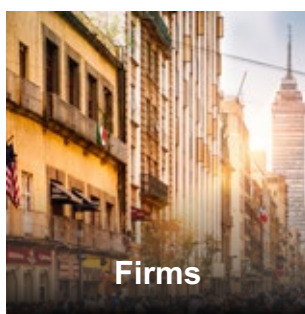
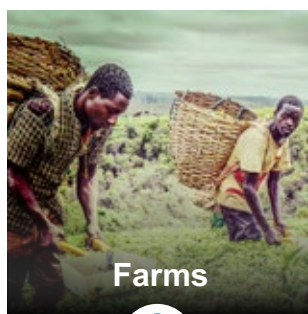
The paper recommends fundamental changes to water policy that enforce more prudent use of resources as well as infrastructure that help mitigate water-related risks. The methodology is also being used for water security analyses in Vietnam and India and agricultural sustainability analyses in Morocco and Central Asia. Most important, the approach is being mirrored across partnership frameworks used by the World Bank and its client countries, which form the basis of lending programs.

UNCHARTED WATERS

With population growth the **demand for water is accelerating** and with climate change **rainfall has become more erratic**

Rainfall shocks affect about **25%** of humanity each year

Impacts ripple across farms, firms, and families



Rainfall variability



Water availability

The report has been downloaded more than 18,000 times since its publication in November of 2017.

The Value of Water

CHALLENGE: As much as 40 percent of the global population is affected by water scarcity. More than 2 billion people are drinking unsafe water, while 4.5 billion lack safely managed sanitation options.

APPROACH: The High-Level Panel on Water (HLPW) was convened in 2016 by the UN Secretary General and President of the World Bank Group. Comprised of 11 heads of state and a special advisor, the panel was charged with identifying ways to accelerate progress toward SDG 6 and facilitating collaboration to help shift mindsets about water.

ADDITIONALITY: The GWSP supported the development process of the HLPW's flagship publication *Making Every Drop Count: An Agenda for Water Action*. The document, along with a video launched on World Water Day 2018, presents the HLPW's outcomes and recommendations. The panel calls for the global audience to make three major shifts:

- **TURN IT OFF:** the faucet; pollution; bacteria; and our denial of a global water crisis
- **TURN IT ON:** solutions; ideas; innovation; investments; and political will for change
- **TURN IT UP:** the urgency; the volume on water dialogue; and the value we place on water

The English language version of the Call to Action video has been viewed *more than 100,000 times* and the report was covered by various news outlets, including The Guardian, Foreign Affairs, and CBS News.

The GWSP also enabled the World Bank to lead the development of the Bellagio Principles on Valuing Water, with Water GP staff providing intellectual leadership. The principles recognize the multiple values of water and give explicit recognition and a voice to dimensions of water that are easily overlooked. Unlike its predecessor, the Bellagio Principles have been universally welcomed, opening new fields of research in the Water GP, such as *Uncharted Waters*.





2

ADD VALUE

Entry Points

The GWSP supports task teams and clients through three distinct entry points. First, the GWSP fortifies the GP's intellectual leadership, giving staff the time and space they need to collaborate with global experts, develop new concepts, and conduct frontier research. Second, the long-term country engagement model, a legacy of the WSP's "boots on the ground" capacity, places staff in strategic geographies to continue client dialogue between or in advance of operations, and to provide technical assistance

on a long-term basis. This entry point allows the GP to invest more resources in lower-capacity countries such as fragile and conflict-affected (FCA) states, and leverages the project cycle as a tool for building capacity around planning, budgeting, or procurement. Third, the just-in-time technical support modality, the Water Expertise Facility (WEF), builds on the WPP's expert model, providing rapid response to changing project conditions or to shift a project's trajectory toward more sustainable results.

GWSP'S ENTRY POINTS



GWSP's decision criteria

Funding is provided for those activities that demonstrate additionality to a lending operation through one or more of the five GWSP priority themes and that have a high potential for global replication.

What is the Water Expertise Facility?

- Building on the legacy of the WPP's Water Expert Team, the WEF provides just-in-time support to operational task teams by connecting them with global water experts
- WEF funds support discrete, time-bound activities that advance lending operations
- WEF works across all five business lines with funding tailored to the specific needs of each country and project context
- The facility leverages the experience of the Water GP as well as the breadth and depth of its global knowledge
- Experts enhance projects in several ways, among others, by addressing knowledge gaps, improving the design of investments, and integrating innovative approaches or solutions.

Key WEF Achievements

- In FY18, WEF committed **\$1.4 million** in expert support for 47 activities
- Missions have covered **27 countries** and supported 3 global studies
- A total of **750 technical questions** were routed through the AskWater Help Desk, which links country-based challenges with the network of Water GP experts and knowledge

"The use of GWSP funding has enabled more experimentation and quicker impact than Bank resources could on their own. GWSP enables the proof-of-concept that can then be scaled up with assurance using IDA funding."

– Shelley MacMillan, TTL



Illustrative WEF Impacts and Outcomes

- **Papua New Guinea:** technical assistance in drafting a new bill to create a water apex body, the first of its kind. The bill is going for parliamentary approval in November of 2018.
- **Argentina, Colombia, and Peru:** rapid, multiscale assessment of current and potential water resource issues, using earth observation coupled with in situ monitoring, is informing a new regional water resources assessment to address water availability issues.
- **Haiti:** engineering adjustments to the design of new sanitation investments yielded different recommendations for each of three service areas: homes, schools, and public facilities. The changes will help provide more sustainable access to sanitation for 60,000 people.
- **South Africa:** quick response to Cape Town's water crisis, with four subject matter experts making major contributions to the city's water augmentation plan and long-term water security strategy. WEF's support to the Bank's response was part of a partnership facilitated by the South African National Treasury with support from the Swiss State Secretariat for Economic Affairs (SECO).

"The City of Cape Town wishes to thank you for your support on... water resilience. The sharing of international knowledge with our own staff and professional teams added real value to our water business."

– Alderman Ian Neilson, Executive Deputy Mayor, Cape Town, South Africa



GWSP ADDITIONALITY



Leverages its global platform to continually shape the global debate on water, bringing the most relevant and timely evidence and solutions to the world stage



Mainstreams the role of water in other sector outcomes, helping clients and staff in energy, education, health, urban development, and environment to “do water better”



Complements the World Bank funding model with regard to the scale, timing, and scope of country-based lending, helping enhance and sustain the outcomes of the Water GP's lending portfolio

Additionality

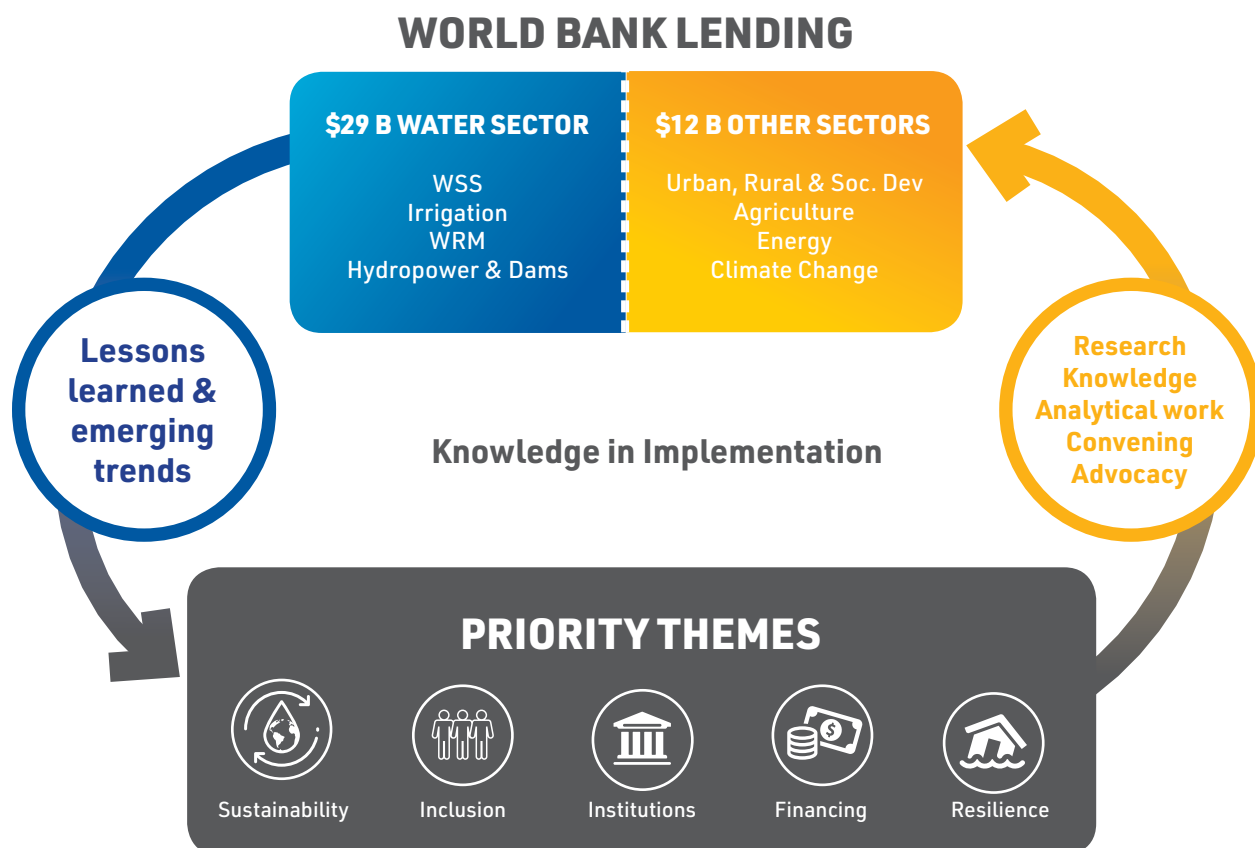
The GWSP supports the bulk of the analytical work and technical assistance in the Water GP, complementing World Bank lending operations and country dialogue in three ways. First, the GWSP leverages its place as a global platform to continually shape the debate on water, bringing the most relevant and timely evidence and solutions to the world stage. Second, the partnership adds value by incorporating good water management practices in other sectors to help clients achieve better results in priority areas like health, urban development, and the environment. Third, GWSP complements the current World Bank funding model by building on and creating links across the scale, timing, and scope of country-based lending. Whether investing in new analytical work, or building the evidence clients need to instigate reform, GWSP resources are continuously working to expand the impact of water lending programs toward achievement of the SDGs.

SHAPE the Global Debate: Knowledge as a Public Good

Public goods benefit all of society, but someone must pay for their costs. Much like water and sanitation services, knowledge itself is a global public good. GWSP funds research that helps shape the global debate around water by documenting experiences that can help shift global thinking. GWSP contributions to the High-Level Panel on Water or other global advocacy campaigns enable its partners to raise the profile of water in the context of delivering on broader objectives like economic growth and shared prosperity.

GWSP funding is being catalyzed to help staff shape operations and learn from operations through an iterative and dynamic process called “knowledge in implementation.” Topics are surfaced through country analyses and client dialogue and checked against the World Bank’s water portfolio to identify where the same trends or challenges are emerging across multiple regions. Many of the research areas supported by the GWSP are critical to providing new evidence on emerging global water challenges and are areas in which think tanks or other water sector players are not currently investing.

GWSP'S POTENTIAL TO INFLUENCE WORLD BANK LENDING



New thinking is next mainstreamed into lending operations via the GWSP's priority themes. In Ghana, this is the new research on menstrual hygiene management (MHM). In Iraq, it is capacity building on maximizing finance for development (MFD). Once applied through lending, the projects in turn yield unique insights, lessons, and opportunities that form the basis of the next generation of knowledge and analytics funded by the GWSP. Thus, the cycle of generating and then applying knowledge continues toward further refinement. Knowledge both flows from and feeds back into lending operations on both the country and global scale.

COMPLEMENT the World Bank Funding Model

GWSP activities focus on improving the quality and sustainability of World Bank lending operations, which themselves address vital infrastructure needs. Lending programs most often comprise specific, time-bound country engagements. GWSP resources are used to fortify lending operations by building on and creating links between the scale, timing, and scope of ongoing or future operations. GWSP seizes opportunities to build bridges that enhance quality and sustainability. For example, GWSP can provide additional resources to promote regional dialogue toward shared goals, building on what would otherwise simply be country-based investments. These targeted resources enable the GP to bring new ideas to the table—ideas that improve project outcomes or even unlock major sector reforms.



Opportunities to Strengthen the World Bank Funding Model		Value Added: The GWSP's Contribution
Scale	Country-based	Supports regional and global engagements that leverage innovative ideas through collaboration with academia, the private sector, and civil society
	Lacks incentives for regional coordination	Brings multiple riparian countries to the table to discuss transboundary or regional development issues
	Isolated interventions	Identifies potential synergies across the portfolio; takes lessons from one part of the world to another
Timing	Time-bound	Provides support to clients between and in advance of operations; staff on the ground help sustain momentum for reform in the interim
	Static budgets	Enables clients to address unexpected changes or shocks—a flood, a new law, a sudden influx of refugees—in the context of existing and planned programs
	Insufficient time for adequate analysis and assessment	Brings clients to the frontier of knowledge, using best practices in poverty mapping, subsidy targeting, or project resilience to external (climate) shocks
Scope	Most lending in the water sector is designed for infrastructure	Analyzes the legal, policy and governance frameworks that support results; works beyond physical assets to improve quality and sustainability as a complement to investments
	Insufficient resources for institutional capacity building	Global experts provide just-in-time support; technical assistance and training ensure counterparts have the skills to operate new systems
	Countries opt for lower-risk profiles	Enables teams to consider high-risk, high-reward options and to leverage innovative approaches

MOZAMBIQUE: GWSP ENABLES BANK TO SCALE UP SANITATION INNOVATIONS

The World Bank has supported the government of Mozambique since 2005 with both technical assistance and investments toward improving WSS services in urban areas and small towns and consolidating the national sector information system. The Bank's support involves strengthening of provincial capacity, taking sector inventories in 70 small towns, developing strategic plans, and providing assistance for the design of on-site sanitation options. The strategic plans have since been adopted as the principal avenues for sector development in Mozambique.

More recently, GWSP funding supported a study on innovative financing, which was subsequently taken up by the government and UNICEF. This and other innovative approaches first piloted in Mozambique, including an Urban Sanitation Status Index and a small towns inventory approach, are being replicated in projects in Zambia and Tanzania to improve the way investments are assessed, financed, and monitored. The results have led the government of Mozambique to request additional financing of \$135 million for investments in the country's sanitation sector. The pipeline project expects to help build the capacity of newly created sanitation agencies in four cities and to bring improved sanitation to more than 350,000 people.

INFLUENCE the Current: Water and Beyond

GWSP brings the incentives needed to help foster collaboration between clients, Bank staff, and other development practitioners working in water and other sectors. GWSP has been a critical asset to the GP in enabling staff to respond to other development challenges in which water is a key input. GWSP helps mainstream

better water resources management in nonwater projects. By supporting the Bank's core water work, the GWSP has already influenced \$11.6 billion in water lending and an additional \$2.2 billion in lending in other sectors, including energy, agriculture, health, and climate change.



3 SHARPEN THE FOCUS: INVESTING IN FIVE PRIORITY THEMES

How Does GWSP Help Countries Shift the Needle Toward the SDGs?

The partnership seeks to change how governments approach their water investments, so they can achieve the SDGs. This means expanding traditional brick-and-mortar approaches to incorporate improvements in overall sector sustainability, financing, resilience, institutions, and inclusion.

The partnership also seeks to change where governments invest. This means making water service providers more creditworthy so that public funds can be used to leverage additional resources. It also means encouraging countries to take a more integrated approach to water, that is, shift their demand toward more integrated investments across the water spectrum.

GWSP activities target five themes: sustainability, inclusion, institutions, financing, and resilience. The donors believe that client country governments are better prepared to enter the SDG era when these five aspects are integrated into project and program design.

The benefits of the GWSP are well worth the cost. In FY18, \$24.4 million in GWSP funds leveraged \$13.8 billion in World Bank lending. Projects that receive GWSP support have more strategic investment prioritization, better financial analyses, and more capable institutions to implement them. This means that each dollar invested by the World Bank or its clients has a broader, deeper, or more sustainable impact thanks to the value added by the GWSP.

THE GWSP PARTNERS DEFINE THE PRIORITY THEMES AS FOLLOWS:

SUSTAINABILITY:



Ensuring water resources continue to deliver benefits to future generations. The GWSP bolsters client capacity to manage water more effectively, even under disruptive dynamics like urbanization and climate change. Sustainable services also require well-maintained assets, from handpumps to treatment facilities.

INCLUSION:



Improving the terms for individuals and groups who are disadvantaged, based on their identity, to equally benefit from improved water services. Benefits often depend on whether one has ownership and control of the resource, or a voice in its management. GWSP enables governments to understand the nature of water inequality and build strong institutions that will hold service providers accountable.

FINANCE:



Increasing the efficient use of existing financial resources and securing additional resources to close the financing gap. For example, the WSS sector alone (SDG targets 6.1 and 6.2 only) requires six times more financing than governments, the private sector, and donors are currently providing. GWSP funds are used to improve the financial viability of sector institutions and enhance opportunities to blend public or donor funds with commercial finance.

INSTITUTIONS:



Better water management will require stronger institutions. GWSP helps clients understand which incentives are needed to drive change in the sector, and to identify the resource and capacity constraints. What's needed is an incentive structure tailored to each country's local cultures, economies, and political circumstances.

RESILIENCE:



Increasing the resilience of water resources and facilities to potential shocks and stresses. The GWSP promotes strategies and tools at the country, basin, and local level aimed at incorporating risk considerations into program and policy analysis and bringing innovative solutions to ease water scarcity constraints.

This chapter highlights some of the major contributions of GWSP activities in FY18 under each of the five themes and in five of the GWSP focus countries. Several types of activities are presented—including global knowledge and country engagements—and results that have evolved from key WSP and WPP initiatives.

SHIFTS IN THE WATER PORTFOLIO

SIZE: \$29 billion

GROWTH: \$4.6 billion record lending in 2018

SCOPE: Growing client demand for historically underfunded sectors: irrigation, sanitation, and rural services

INSTRUMENTS: Bigger proportion of results-based and programmatic lending to bridge infrastructure investments with technical assistance

Focusing on Results by Supporting Country Systems

CHALLENGE: Water GP support to clients has focused on financing critical infrastructure. Faced with a lack of progress and the heightened ambition of the SDGs, clients see a need for sector-wide approaches that can unlock persistent institutional bottlenecks and build government capacity to deliver programs at scale using a country's own systems.

APPROACH: The Bank launched a new approach, Program-for-Results, in 2012. The approach is unique in that it supports a slice of a government's own program and uses country systems and processes to deliver that support. It also links funding to the achievement of verifiable results and performance actions. Moreover, the approach enhances the outcomes of a series of policies or an investment program by developing the capacity of institutions and by providing a collaborative platform to pool resources and coordinate with other development partners at the country level.

ADDITIONALITY: The GWSP adds value to the process by supporting capacity building of country systems—at both the sector and country level—that are critical to the

The World Bank currently invests \$26.8 billion in results-based lending, with the Water GP contributing 18% of the total, or \$4.7 billion.

achievement of the results-based program. WSP and GWSP have helped shape several such water operations, including in Benin, Egypt, Tanzania, Vietnam, and Burkina Faso.

In Burkina Faso, following years of WSP pilot testing in the WSS sector, the government selected a results approach for investing in three subsectors: water supply, sanitation, and integrated water resources management (IWRM). The program invests \$300 million, including funds from the International Development Association (IDA) Scale-Up Facility, to enhance results. Informed by GWSP-funded analytics, the project will ensure progress toward 1.1 million additional people benefiting from improved water supply and 1.3 million from improved sanitation services. Additional investments in sustainability will support an enabling environment to attract private capital throughout the country.



SUSTAINABILITY

City-Wide Inclusive Sanitation

CHALLENGE: Only 36 percent of urban excreta is safely managed today, while the urban population continues growing at about 60 million people per year. Innovative and flexible sanitation delivery models are needed to reach the unserved and keep up with rapid urbanization.

APPROACH: The Water GP is a founding member of the Citywide Inclusive Sanitation (CWIS) Initiative, a partnership that works to expand sustainable sanitation in cities around the globe. CWIS aims to get city stakeholders to work together to radically change the current models for urban sanitation by considering all its dimensions—technical, financial, regulatory, institutional and social.

Its core partners—the Bill & Melinda Gates Foundation, the University of Leeds, WaterAid, Plan International, and Emory University—provide an active platform for global dialogue and dissemination of good practices in urban sanitation. Thus far, the World Bank’s CWIS activities have included advocacy and capacity building through knowledge and learning (K&L) events, the development of analytical tools, and initiation of the approach in several countries.

Additionality:

K&L: GWSP supported country-based training events to design CWIS interventions in Ethiopia and Kenya. Additionally, two four-day K&L events were held in Brazil and Ghana, showcasing global practices and lessons learned from application of CWIS principles, and a workshop was

organized in Lebanon to present CWIS and its relevance for countries in the Middle East and North Africa. More than 400 people have been reached through CWIS knowledge events.



TOOLS: GWSP supported the completion of the Citywide Inclusive Sanitation Costing & Planning Tool; a shared, communal and public sanitation guide; a fecal sludge treatment design manual (in collaboration with the Bill & Melinda Gates Foundation); and a global report on container-based sanitation.

COUNTRY APPLICATIONS: The CWIS team has taken its support to cities around the world where GWSP funds are leveraging Bank operational lending. Several other countries are also using CWIS tools, and mobilizing support from the CWIS core team and consultants to help develop urban sanitation schemes using a CWIS approach:

- In Angola, GWSP has enabled specialized assistance for the client to prepare a new sanitation component for a water sector loan based on the CWIS principles.
- In Kenya, GWSP is supporting a county-wide approach to sanitation provision that looks at sanitation services in the urban, small town, and rural spheres, as such provision has recently been devolved to the subnational level. Additional GWSP support is being provided to Nakuru County to develop a CWIS approach through a new, multisectoral sanitation steering committee.

PORTFOLIO SHIFTS:

- 46% of new knowledge and analytics activities support sustainability

PORTFOLIO INFLUENCE:

- 75% of new lending promotes sustainable and efficient water use
- 60% of new rural WSS lending projects measure functionality of water points

PORTFOLIO RESULTS:

- 1,400 megawatts of hydropower generation capacity constructed or rehabilitated
- 320,000 hectares under sustainable land or water management practices

A series of CWIS videos document good practices in urban sanitation from around the globe. The eight videos (which include versions of each video with French and Spanish subtitles respectively), have been viewed more than 5,000 times.



- In Bolivia, GWSP has supported the government in advancing its urban sanitation agenda—on aspects such as CWIS strategic planning, fecal sludge management (FSM), and connecting unconnected residents to sewer systems.

WPP Evolution: Sustainable Hydro

CHALLENGE: Hydropower development is increasing worldwide, helping countries diversify their water supply and energy base to enhance resilience to climate shocks. However, the complexity of hydropower development makes it difficult for country institutions to assess whether projects are sustainable from a technical, environmental, social, and economic perspective.

APPROACH: The Water GP helped to design and test the Hydropower Sustainability Assessment Protocol (HSAP), a globally applicable methodology that helps build stakeholder buy-in and attract the support of financial institutions to develop or improve a project. To date, the HSAP has been applied by the Water GP and other partners to 22 projects, influencing improved water management and energy generation.

ADDITIONALITY: The GWSP has enabled the GP to shadow clients as they pilot the HSAP approach. In FY18, three dam operators in the Zambezi Basin were supported with training, a guided self-assessment, advisory services for bridging performance gaps, and development systems or tools to continuously improve sustainability. The Zambezi River Authority then requested an accredited review of the Environmental and Social Impact Assessment for the Batoka Gorge, which is being supported by the World Bank.

While clients like the value added of the HSAP, many prefer a tool that can provide a more rapid assessment. In response, the GWSP has funded the design of a gap analysis tool, which can be applied in more countries at a lower cost than the HSAP. The Climate Bonds Initiative, a not-for-profit working to mobilize bond markets for climate change solutions, has also expressed interest in rolling out the gap analysis tool to determine eligibility for hydropower projects.

Developing the full hydropower potential of the Zambezi Basin and improving coordination around those investments would double current energy production, double the area under irrigation, provide more than 500,000 new jobs, and reduce flood risk.



WSP Evolution: Clean India

CHALLENGE: India has the largest number of people practicing open defecation, contributing to pervasive disease, stunting, and pollution. But merely getting toilets into households is not enough. Research shows that toilet use can decline over time if behavior change does not take root.

APPROACH: The government of India has committed to ending open defecation by October 2019. A \$1.5 billion World Bank loan supports the Clean India Mission, which was launched in 2014 as the country's largest effort to date to improve sanitation. The Bank investment—designed to incentivize the states to permanently reduce open defecation and maintain cleanliness in villages through solid and liquid waste management—aims to reduce the number of people defecating in the open by 95 million.

ADDITIONALITY: The Clean India program is benefiting from the culmination of 12 years (2002–13) of WSP support to demand-led sanitation in eight states in India, addressing policy development, expansion of the sanitation market, and a stronger enabling environment, among others. Building on this experience, the GP has catalyzed its innovative results-based approach, which disburses funds only upon the use of sanitation facilities, safe disposal of fecal matter, and functionality of toilets over time, based on a protocol approved by an Expert Working Group. To date, the Bank has assisted the federal government in designing new protocols, developing performance incentive grant schemes, and tracking open defecation reduction across blocks, districts, and states through independent verification. Based on provisional results of the National Annual Rural Sanitation Survey,⁵ about 77 percent of the rural households have access to toilets.

5 The independent verification is ongoing and the final report is yet to be submitted.

GSG SPOTLIGHT:

REVOLUTIONIZING WATER IN AGRICULTURE

From agribusiness to smallholders, the farming industry is working to feed more people with more diverse and changing tastes. At the same time, water and temperature variability are increasing real and perceived water risks throughout the global food supply chain. Sustainable development of the agriculture sector will depend on better coordination between all water users, among others, farmers, governments, and the private sector. The Water in Agriculture GSG is pioneering three approaches to encourage innovation in food and water security.

On a global scale, the Water GP is spearheading *Water Stewardship in Agriculture*,⁶ a platform for collective action by agricultural stakeholders to manage risks by working at the watershed level. The initiative demonstrates how sustainability practices applied in the private sector can be supported through public incentive mechanisms, and how pricing and trade policies can promote more sustainable use of water resources in food production.

The GP, along with USAID, the African Development Bank, and the Chicago Council, supports farmer-led irrigation—a policy, technology, and financing option that encourages partnerships between farmers and the private sector. The initiative is helping persuade farmers to switch from high-cost, centralized public irrigation schemes to alternative solutions. Several regional events this year led to the signing of a formal statement on building inclusive and resilient, farmer-led irrigation by various African countries.



Videos and other advocacy pieces funded by the GWSP help popularize the farmer-led irrigation initiative to bolster innovative practices.

Finally, the GWSP uses study tours to help task teams and clients gain first-hand knowledge from around the world that improves the dialogue with clients, project designs, and project performance. In FY18, the GP partnered with leading organizations to implement three tours on emerging topics. GWSP funds were critical to mainstreaming the study tours' design, which significantly contributed to the quality of the knowledge exchange, as evidenced by the participants' ratings.

Topic	Location	Global Solutions Group (GSG) partner	Comparative advantage	Participant rating
Irrigation modernization	Central Valley, California, USA	Irrigation Training & Research Center (ITRC) at California Polytechnic State University, San Luis Obispo	Drought management through a water transfer program that raised \$30 million for modernization schemes	4.5/5
Sustainable groundwater management	Nebraska, USA	Daugherty Water for Food Global Institute, University of Nebraska, USA	50 years of sprinkler and drylands irrigation while protecting soil and aquifers	4.9/5
Value chain development	Puglia, Italy	Italian Trade Agency	The role of cooperatives in using technology to advance sustainable agriculture practices	4.9/5

⁶ The platform's partners are the World Wild Life Fund, the International Food Policy Research Institute, the International Union for the Conservation of Nature, and Pegasys, South Africa.

COUNTRY SPOTLIGHT: ETHIOPIA

Inclusive, Sustainable Services

Sanitation

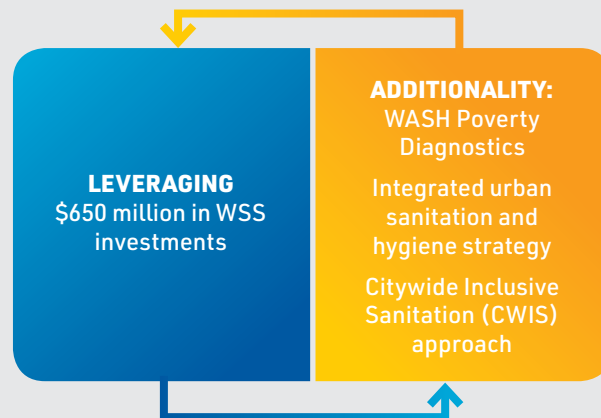
WSP's technical assistance was instrumental in helping the government of Ethiopia develop an integrated urban sanitation and hygiene strategy. This groundwork led to the design of a \$445 million World Bank loan created to improve existing onsite and sewer-based solutions, increase FSM services, and expand decentralized wastewater treatment plants.

The GWSP is now helping cities implement the national strategy through the CWIS approach to ensure that fecal sludge is safely captured, transported, and treated in urban areas. A total of 23 utilities across the country were trained in the use of CWIS tools, materials, and approaches for the design of urban sanitation interventions. The national and international consultants hired to support the government in implementing the project also received guidance on CWIS approaches and principles.

Water



Rural communities need knowhow to help maintain water facilities and expand access to water services. The GP is helping to establish supply chains for spare parts, procuring equipment and tools, and building local private operators' capacity. In addition, a pilot is currently underway to look at the viability of rural utilities working across village clusters to achieve economies of scale.



To increase institutional capacity, the GP is helping establish training curricula in local colleges aimed at improving the operations and maintenance (O&M) and construction skills of local private operators, technicians, and artisans. Technical assistance is also being provided to help develop skills in sanitation marketing and behavior change.



The cost of constructing safely managed latrines is often prohibitive for women, the poor, and other disadvantaged groups. The GWSP will help to strengthen inclusion as part of a \$205 million WSS and Hygiene Project to ensure everyone, and specifically women, are "invited to the table" during planning processes. Mechanisms to improve transparency will be developed to ensure women's participation in rural areas and small towns across nine regions.

SELECT TARGETS

- Number of nonfunctional water points reduced from 25% to 10%
- 23 cities have established or are using nonrevenue water (NRW) data management systems
- 976,000 people trained in improved hygiene behavior/sanitation
- Wastewater collection, transport, treatment, and disposal capacity has been increased to 130,000 m³ per day.



INCLUSION

Reaching the Underserved

CHALLENGE: Water belongs to everyone and yet many people and groups remain excluded from its benefits. Women, youth, the disabled, minority groups, and refugees are among those that often lack representation in water asset ownership or management. Ensuring their inclusion requires a better understanding of the nature of water inequality and building stakeholder capacity to design projects that aim to bring benefits to all.

APPROACH: The Water GP's social inclusion agenda promotes better project design and builds advocacy around two primary themes: gender and citizen engagement. The GP has created an inclusion core team supporting staff working across the five water business lines in the Bank's six regions.

ADDITIONALITY: GWSP has been critical to integrating new knowledge on inclusion into Bank operations. In FY18, a series of staff training events and a regional social inclusion roundtable were organized, and guidance notes produced to make it easier for task teams to learn from one another on how best to incorporate gender and citizen engagement considerations in project design and delivery.

Project teams in several countries, including Benin and Egypt, have also received targeted GWSP support for inclusion. To better address gender-based violence, a one-stop-shop grievance redress mechanism to resolve issues is being developed under a new \$31 million quality-of-life project in Brazil. A \$280 million refugee services program is targeting women fleeing violence from South Sudan, the Democratic Republic of Congo, Burundi, and Somalia. Finally, a \$27 million component to pilot a new land rights system to help secure land tenure for subsistence smallholder farmers at high risk due to potential climate change impacts was added to a new project in Malawi.

Global Advocacy: Menstrual Hygiene Management

CHALLENGE: In many societies, taboos associated with menstruation, along with a lack of adequate water, sanitation, and hygiene (WASH) facilities in schools and homes, limit the ability of women and girls to fully participate in society.

When schools lack separate toilets for girls, receptacles for used sanitary products, or water to wash their hands, girls often skip school during their period.

APPROACH: The Water GP raises awareness around MHM and helps clients incorporate MHM into their operations. Projects in the Kyrgyz Republic and Haiti each have an MHM component. In Ghana, new research tracked WASH interventions in over 200 junior high schools across the Greater Accra Metropolitan Area to understand the impact of MHM on project results. The study is now informing the ongoing \$150 million sanitation and water project, under which 24 sanitation facilities in 9 schools have already been installed. Each facility has separate stalls for teachers, girls, boys, and people with disabilities, as well as changing rooms for girls.

ADDITIONALITY: May 28, 2018, marked Menstrual Hygiene Day, when public and private stakeholders promote MHM advocacy to fight the stigma. Sandie Okoro, Senior Vice-President and General Counsel for the World Bank Group,



GWSP supported MHM advocacy in collaboration with WASH United through cartoons and the related social media messages sent from @WorldBankWater reached more than 100,000 accounts.

PORTFOLIO SHIFTS:

- 32% of new knowledge and analytics activities support inclusion

PORTFOLIO INFLUENCE:

- 100% of new projects incorporate gender in all three dimensions (analysis, action, and results)

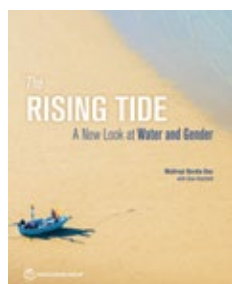
PORTFOLIO RESULTS:

- 400,000 female farmers adopted improved agricultural technology
- 7.9 million women have gained access to improved water services

joined the #NoMoreLimits campaign, bringing attention to MHM challenges through a video that was viewed more than 67,000 times on various social channels.

Global Knowledge Corner

A new report released this year, *The Rising Tide: A New Look at Water and Gender*, reviews a vast body of literature and offers a framework for visualizing water. Gender in water can be seen in terms of an asset (land, labor), a service (water, sanitation), and a space (city, school). Water is an arena where gender relations play out in ways that often mirror inequalities between the sexes. The report's key message is clear—interventions in water-related domains are important in and of themselves and for enhancing gender equality more broadly.



The GWSP funded a guidance note: *Including Persons with Disabilities in Water Sector Operations* and launched a podcast on social inclusion: *Let Everyone Reap the Benefits of Water*, as part of the World Bank's Water World podcast series.

Globally, more than 1 billion people, approximately 15 percent of the world's population, have disabilities. Of those, 80 percent live in developing countries.

WSP Evolution: Mapping the Bottom Billion



CHALLENGE: Governments don't always know the most effective way to allocate resources to the WSS sector to improve sector outcomes. When they are ready to implement sector goals, such as universal access to WSS services, they first need to identify who still lacks services and where they live.

WATER GP RESPONSE: The WASH Poverty Diagnostic (WASH PD) Initiative provides a comprehensive analysis of WSS indicators to pinpoint specific regions that suffer from inadequate services. Conducted in 18 countries, the WASH PD sheds light on major disparities in access between rural and urban populations and poor and nonpoor areas. The initiative's institutional analysis advocates understanding the broader governance context in which services are provided. WASH PDs provide the data needed for stakeholders to work together to solve problems. Where solutions are not obvious, the initiative advocates an adaptive approach to allow stakeholders to learn through rapid cycles to identify "best fit" solutions. The comprehensive framework also informs national country strategies that underpin decisions about where and how clients will invest to achieve their poverty reduction goals.

ADDITIONALITY: The WASH PD is a WSP flagship product and similar types of analyses are being carried out in countries with GWSP funding, including Angola, Niger, and the economy of West Bank and Gaza. The resulting data bring a fresh lens to poverty, enabling different sectors and institutions to collaborate. Not only have these analyses spurred several large-scale loans, but they also offer tools and entry points that ignite communication among governance, poverty, health, and water practitioners.

Country	WASH PD findings	Influence	Broader impacts
Nigeria	Over 60% of the rural population live more than 30 minutes away from a working water source	Inspired the government to declare a water emergency and request \$700 million in new WSS lending	Supports a National WASH Fund to expand service to the underserved
Tanzania	20% of rural water points are nonfunctional after one year in service	Is informing preparation of a new \$350 million results-based program including the first major investment in rural sanitation with a focus on functionality	Enables Water GP collaboration with Health, Nutrition, and Population GP colleagues toward an <i>Early Years Initiative</i>
Ecuador	20% of household drinking water is contaminated with <i>E. coli</i> . The health risks extend to 1 in 8 urban households and 1 in 3 rural households.	Piloted one of the first water quality tests for SDG 6 with Joint Monitoring Programme (JMP)/United Nations Children's Fund (UNICEF) and the National Institute of Statistics	Is informing the methodology for global SDG monitoring with JMP/UNICEF

COUNTRY SPOTLIGHT: BENIN

Replicating a Proven Model: Regional Private Operators

Despite high rates of poverty and slow GDP growth, Benin achieved the water MDG in 2015 with 1.4 million people gaining first-time access to improved water services in rural areas. But the scale of the SDG challenge looms large: in the rural sector alone, and taking account of population growth, 5.5 million will need to receive improved water services by 2022.

The country has embarked on significant institutional reforms to recentralize the supervision responsibilities of water services and adopt Senegal's successful delivery model using *affermage* contracts⁷ for regional private operators.

In pursuit of these goals and with five years of WSP institutional support, two new projects worth over \$350 million began implementation this year. The first, AQUA-VIE, represents half of the government's planned investments for rural water, at \$288 million. The second, the Benin Small Town Water Supply and Urban Septage Management Project (PEPRAU), supports 60 more water supply systems countrywide. The \$68 million loan includes \$2 million for a private water operator guarantee fund to help operators secure a subsidized concession to access commercial finance.

The GWSP provides support to the task team on a host of issues critical to the projects' success, such as promoting inclusion and access to commercial finance.



The government recognizes that greater inclusion of women in rural water service planning, supervision, and delivery is needed. Women currently play a very limited role due to cultural factors and entrenched traditions. To help identify opportunities for women, GWSP funded an initial gender-gap assessment that led to the integration of gender-specific activities and results indicators that include targets for female representation in decision making and training benefits specifically for women. Follow-up work is also planned to explore the provision of study grants and internships to build women's capacity.



GWSP also supports the government in preparing the groundwork for the *affermage* contracts. First, GWSP support to the in-country dialogue led to the signing of 74 framework partnership agreements between rural agencies, municipalities, and the Ministry of Water and Mines—the first step toward sector reform. GWSP-funded work is also supporting the preparation and approval of a new tariff policy based on global best practices and new analyses to underpin key decisions on water rate changes. And toward the MFD agenda, GWSP is now helping private water operators identify commercial financing opportunities, and prepare new bidding documents to jump-start the solicitation of the *affermage* contracts.

SELECT TARGETS

- 80% of customer grievances are registered
- Tariff policy effectively applied
- 1.8 million people to gain access to improved water services in rural areas by 2024
- 350,400 people will benefit from improved urban sanitation facilities.

⁷ In the *affermage* type of arrangement, an operator is responsible for operating and maintaining the infrastructure facility (that already exists) and providing services but is generally not required to make any large investment.



FINANCE

Maximizing Finance for Development (MFD)

CHALLENGE: SDGs 6.1 and 6.2, expected to cost \$1.7 trillion globally by 2030, can only be met with more coherent financing strategies that combine public and private sources.

APPROACH: The World Bank Group's MFD approach seeks to use public resources more effectively to crowd in new sources of private finance and service delivery models toward meeting SDG 6.

ADDITIONALITY: MFD is completely aligned with GWSP's financing agenda, which is complementing the work of other donors as they support new sources of finance. GWSP-funded research identified the two foundational issues that keep many service providers in low- and middle-income countries from attracting commercial finance: (i) their weak technical and financial efficiency, caused by a lack of incentives to improve performance; and (ii) the lack of clear and transparent sector governance, and the policy and institutional environments in which providers operate. Water GP advocacy has helped build consensus around "what" the foundational challenges are by driving the agenda in international forums.

The GWSP also helps individual service providers address their constraints by improving efficiency, working toward creditworthiness, and ultimately accessing commercial finance, as illustrated in Peru, Iraq, and Kenya.

- In Iraq, the Water GP worked closely with the International Finance Corporation (IFC) and the government to design a new \$210 million investment

in water and sewerage for Baghdad. A public-private partnership (PPP) framework has been signed between the Iraq Ministry of Planning and IFC. GWSP funds were used to define a roadmap for improving commercial performance, creating the enabling environment, and strengthening local capacity for private sector participation (PSP). Additional collaboration with IFC and the Multilateral Investment Guarantee Agency (MIGA) concluded that there are opportunities for innovative financing, including blended finance through performance-based contracts and Build-Operate-Transfer transactions.

- In Kenya, following creditworthiness assessments of utilities—among others, of Nairobi Water—a total of 50 transactions raised \$25 million in commercial capital, including finance from four domestic banks. Subsequent efforts with Nairobi Water to leverage an additional \$6 million loan failed to advance because the financial assessment concluded that no new debt could currently be accessed. However, by laying out the challenges, including more transparent governance arrangements, GWSP and other forms of donor support are helping the utility get back on track.

ADDITIONALITY: Once service providers have reached financial sustainability, GWSP funding can support a dialogue to bolster private sector interest, such as is happening in Somaliland or to support the use of innovative platforms and technologies in the design of financial transactions, as is being done in Benin, Indonesia, and Tanzania.

PORTFOLIO SHIFTS:

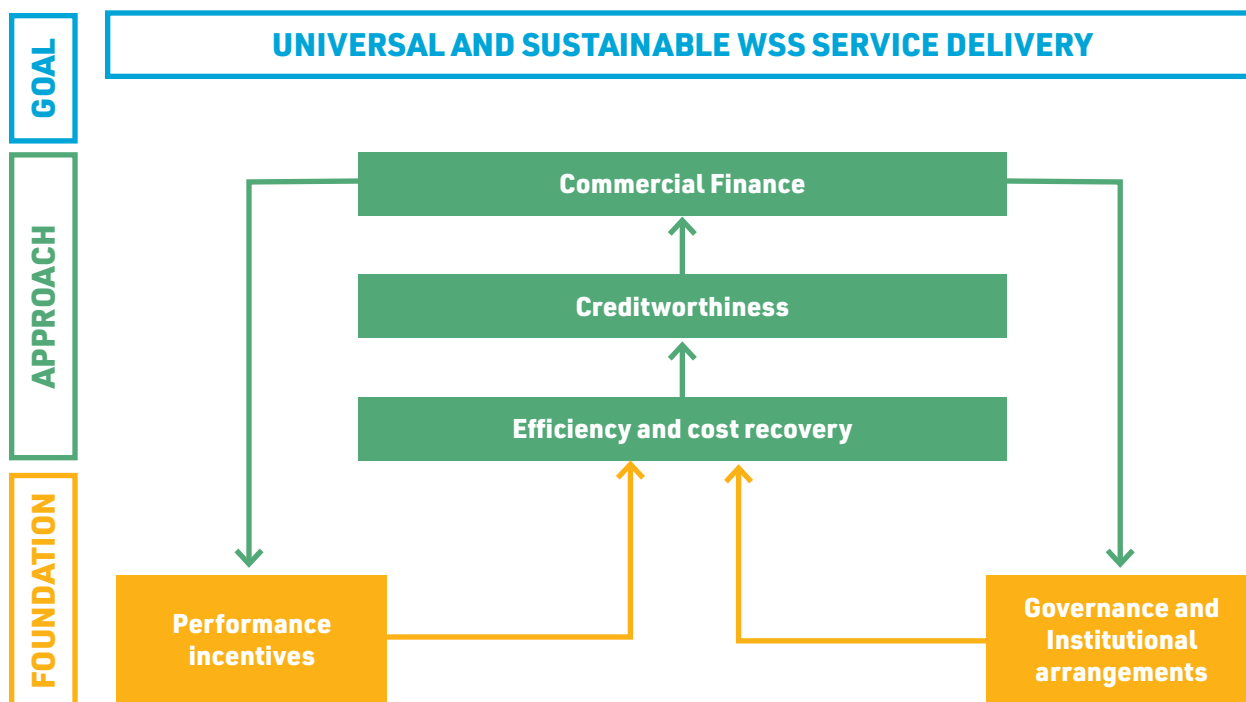
- 550 clients and staff trained on water finance and creditworthiness in 20 countries
- 23% of new knowledge and analytics activities support finance

PORTFOLIO INFLUENCE:

- 77% of new projects support reforms/actions for improving financial viability

PORTFOLIO RESULTS:

- 27 utilities have an improved working ratio



Indonesia: Targeted Toilet Subsidies

CHALLENGE: Provide rural sanitation access to the bottom 40 percent and prevent slippage in open defecation levels.

APPROACH: A WASH Poverty Diagnostic showed that the government’s no-subsidy policy was making it impossible for the poor to purchase a toilet. Bank support for the community-led total sanitation approach demonstrated the need for a hardware subsidy and enabled fragmented stakeholders to collaborate toward uptake of sanitation solutions.

ADDITIONALITY: GWSP supported the development of a “smart sanitation financing” platform that identifies needy households and tracks the use of public funds. The platform is equipped with an IT system that uses By-Name-By-Address data and served to identify the poor in 19 villages across 8 districts. The work supports a \$1.4 billion investment that uses a nationwide community-driven approach to increase WSS access. The Ministry of Health Regulation revised the national rural sanitation policy so that the government could redirect funds to ensure the poor can afford to purchase a toilet. The task team is now collaborating with Water.org to provide technical assistance regarding toilet credit payments to microfinance institutions.

Tanzania: Technology Lowers Costs for Rural Water Operators

CHALLENGE: Rural water service providers need to reach greater financial sustainability to expand or improve service quality.

APPROACH: Demonstrate the benefits of a transition to solar-powered pumping and prepaid meters to reduce long-term operational costs and increase revenue.

ADDITIONALITY: GWSP funds were used to enable 150 rural water utilities to participate in a new project that will provide a 4-year loan from the TIB Development Bank (a government-owned development bank in Tanzania), covering 40 percent of the capital cost of both technologies, and a \$4.8 million grant from the Global Partnership on Output-Based Aid (GPOBA) to cover the remaining 60 percent. Private service contracts will be used for maintenance. The cross-sector nature of this work benefited from collaboration with private sector technology providers and leveraged funding from WSP, GWSP, the Energy Sector Management Assistance Program (ESMAP), and the Nordic Development Fund. Moreover, the GWSP work informs the \$350 million program that includes private sector participation in O&M for rural water supply.

WATER AND FRAGILITY: BRINGING DOMESTIC BANKS TO THE TABLE

The autonomous region of Somaliland is one of the poorest and most fragile in the world. The European Union (EU) is providing a grant to increase the capacity of the Hargeisa Water Agency (HWA) to transfer water to Harargeisa City. First, however, medium-sized investments are needed to optimize operations so that the additional water translates into higher profits for HWA.

GWSP and PPIAF funded a financial analysis that showed how small commercial improvements and better collections could increase revenue by \$300,000 per month. Adding new boreholes or reducing energy consumption would yield immediate returns and the surplus generated from these investments could provide the cash flow required to service other commercial debt.

On the private side, the GP is supporting a domestic lender, Dahabshiil Bank, to better understand the potential risks and benefits of backing such investments. Despite external shocks, including rising energy prices and local currency depreciation, HWA has drafted a new performance-based contract to hire a local engineer to design an energy optimization scheme. By taking steps now to get on the right financial footing, HWA will be ready to market its improvements to the domestic banking sector once the macro environment has stabilized.

Sanitation Loans Reduce Open Defecation

Noor Aysha was raised in a poor family in the Chittagong District of Bangladesh. She never went to school and was married by the age of 12. After having seven children, Noor Aysha's husband left her. She became a domestic worker and wood cutter, living in a small shack on her father's land. Having practiced open defecation for most of her life, she was introduced to safe water and sanitation practices in 2017 at a meeting of the Utshad Women's Society near her home. Noor Aysha became interested in the benefits of a latrine. She took out an interest-free sanitation loan and received assistance in constructing the latrine from the partner organization's field officer under the World Bank project. Today, at the age of 68, Noor Aysha and her family practice safe sanitation and regular handwashing, which has reduced illness among herself and her family members. She repays her loan installments with the income from her wood cutting and has come to realize that *"safe latrine means a prosperous life."*

COUNTRY SPOTLIGHT: BANGLADESH

Microfinance at Scale: Better Toilets for over 850,000 people

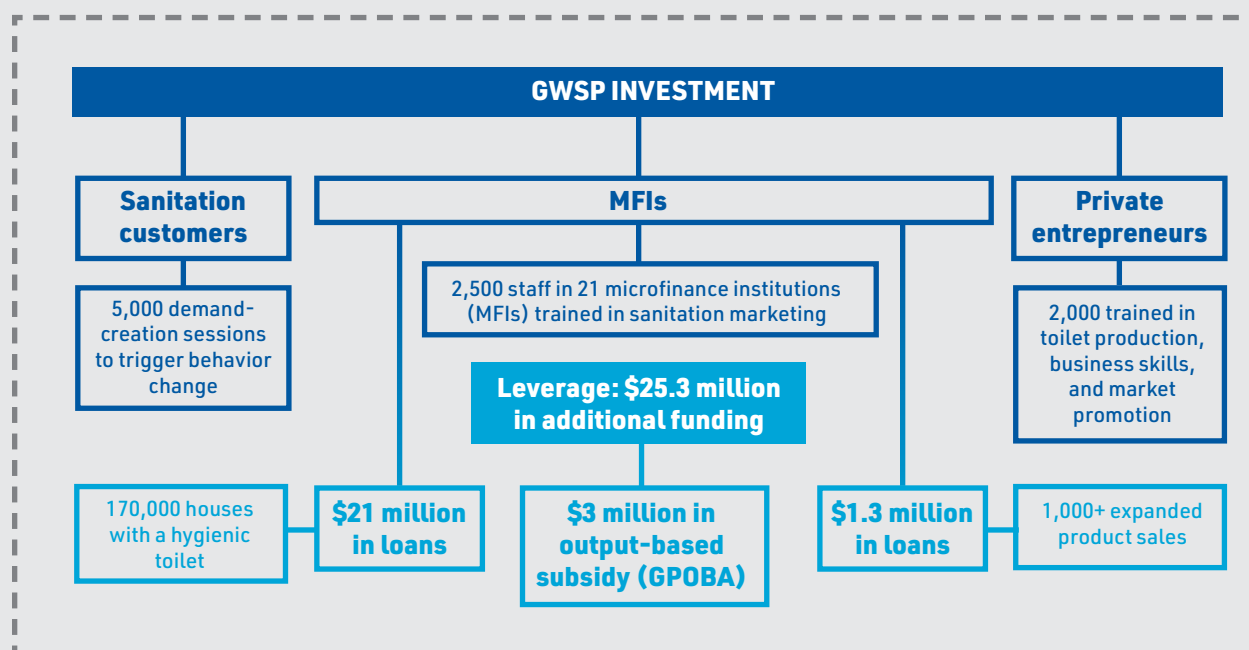
The Water GP—through GWSP, WSP, and GPOBA—has leveraged Bangladesh’s thriving private sector and well-established microfinance industry to grow one of the most successful sanitation microfinance schemes in the world. The GP’s unique approach encourages private companies to meet the growing demands of the poor—an underserved market segment waiting to be tapped.



GWSP funds were used to close the enormous sanitation gap in three ways. First, task teams encouraged private providers to enter the market with quality sanitation products and services by helping design toilets and subsequently produce and promote those products. Second, the team helped to create sufficient demand by raising households’ awareness of the benefits of improved toilets and their maintenance requirements. This work is the culmination of several years of trust-funded support, starting with the WSP’s Domestic Private Sector Development Initiative.

The third, most imperative contribution, was leveraging private finance to make and pay for the products. Loans were provided to poor, rural households to enable them to buy a new toilet; 21 local microfinance institutions (MFIs) offered a total amount of \$21 million in microfinance loans. Moreover, a \$3 million GPOBA grant provided an output-based subsidy of between 10 and 12.5 percent to make latrines affordable for poor households after their construction. Thanks to the support of GWSP and GPOBA, more than 850,000 people benefited from these sanitation improvements.

The program’s success in terms of building demand for more and better products yielded two additional results. MFIs provided another \$1.34 million in loans to more than 1,030 local entrepreneurs to expand their market share. Second, a large public finance institution, Palli-Karma Sahayk Foundation (PKSF), recently approved a policy to introduce sanitation loans for all their potential MFI borrowers.



These results have prompted a request from the government of Bangladesh for a \$300 million Bank lending operation to go to scale with this approach.



INSTITUTIONS

Understanding Incentives for Change

CHALLENGE: Experience shows that strong institutions—both those that are mandated to deliver services and those that frame the enabling environment—lead to strong development outcomes, but countries often fail to understand what factors contribute to institutional strength. Moreover, institutions can help countries reach the SDGs in a second way, provided they themselves can attract external finance sources to fund the necessary investments.

APPROACH: Within the context of the MFD approach, the GP has invested in two new global initiatives that respond to the need to bolster clients around two foundational issues: (i) performance incentives and (ii) institutions/governance. Both these frameworks analyze strengths and weaknesses across and within sector institutions. First, the GP has created a Utility Turnaround Framework (UTF) that systematizes the way performance is assessed and yields a short-term, tailored improvement program for the utility. The UTF has been piloted in Peru, Botswana, and Vietnam.

Second, the Policy, Institutional, and Regulatory (PIR) Incentive Initiative, a partnership between the Water and Governance GPs, helps teams gain deeper insight into the role of institutional dynamics in achieving sector outcomes. The global report *Aligning Institutions and Incentives for Sustainable Water Supply and Sanitation Services* sets a framework for analyzing PIR incentives and offers recommendations for designing incentives that can be applied in any country context. The report, published in 2017, has already led to an uptake in the new approach across the World Bank.

ADDITIONALITY: The GWSP has supported the development of both frameworks and their application around the globe. A selection of the results from Latin America demonstrates how PIR analysis supports comprehensive sector reforms (table below).

Geography	GWSP contributions	Key recommendations for clients
South America	Briefing note provides first regional application of the global PIR framework in 5 countries	Interventions should be context-specific and work within the prevailing PIR environment
Argentina	Analysis of federal dynamics on the PIR structures; dialogue to inform implementation of the new National Water and Sanitation Plan	Need for a holistic approach to PIR that can help link financing with policy objectives and measure progress comparatively across provinces
Paraguay	Policy recommendations for WSS sector reform	Creation of a Vice Ministry of WSS; a new wastewater treatment and reuse policy; strengthening of the role of the sector regulator
Peru	Support to implementation of regulatory reform program, including extending regulator's mandate to include payment for environmental services, among others, and its participation in Peru's accession to OECD process	Preparation of an issues paper to incorporate lessons learned

PORTFOLIO SHIFTS:

- 42% of new knowledge and analytics activities support institutions

PORTFOLIO INFLUENCE:

- 100% of new projects support reforms or actions that strengthen institutional capacity

PORTFOLIO RESULTS:

- 4,900 water user associations created or strengthened
- 30 institutions with water resources management (WRM) monitoring systems

In Peru, the GWSP supports a National Turnaround Program that applies concepts from the PIR global framework and the UTF at both national and local levels. GWSP funding is now being used to strengthen the national regulator, SUNASS, to comply with its new mandate for rural services and to shift from tariff regulation to economic regulation. Support has included a south-south exchange with Colombia to learn about the latter's experiences in calculating tariff rates and in managing operator data to help the country meet progressive service standards.

GWSP funds are also helping utilities prepare model utility turnaround programs for local piloting. Under the finance theme, GWSP funded a NRW strategy for

SEDAPAR, the water and wastewater utility serving the city of Arequipa. The study found that SEDAPAR is sufficiently creditworthy to access commercial finance for the NRW program costs but recommends that a debt management policy be prepared first. As a result, the utility and the national regulator have requested Bank support for the preparation of a new master plan for 2020–24, which would include a new tariff proposal to enable the utility to service long-term commercial loans. This work also leverages a \$100,000 Public-Private Infrastructure Advisory Facility (PPIAF) grant to support progress on the NRW program.



Building Institutional Bridges in Uzbekistan

CHALLENGE: To improve the quality of WSS services across Uzbekistan, the government in 2016 merged urban and rural service providers into *suvokas* (state-level enterprises), whose assets are jointly owned by regional and local governments. However, to benefit from economies of scale and boost their financial sustainability, the 14 newly created *suvokas* will need significant support.

APPROACH: Three ongoing Bank loans with a total value of \$394 million are used to support various aspects of the sector reform program. Water GP support is critical to bridging the two institutional spheres: service providers and the national regulator.

ADDITIONALITY: GWSP provided funding to design the very first integrated 5-year service delivery improvement plan for a utility in Uzbekistan. The team also benefited from additional resources to support the Ministry of Housing and Communal Services, which oversees the utilities, in enhancing regulatory capacity and monitoring of utility performance.

The government has used these experiences to help design national policies on tariffs, PPPs, and monitoring systems. Next year, the government plans to roll out similar improvement plans for all 14 regional utilities and establish a sector financial model and systems for linking allocations to performance improvements. The new financial framework is in turn expected to start utilities on a path toward creditworthiness.

14 Regional utilities	Ministry of Housing and Communal Services
Piloted first 5-year integrated service delivery improvement plan	Improved monitoring for better management of water resources
Designed operational and financial model for the Samarakand Suvokova utility	Tariff policy and sector financing strategies
Professional development of staff	Regulatory capacity
Customer service improvements	Strategic use of public-private partnerships (PPPs)

COUNTRY SPOTLIGHT: EGYPT

New Sanitation Institutions Restore Citizen Engagement

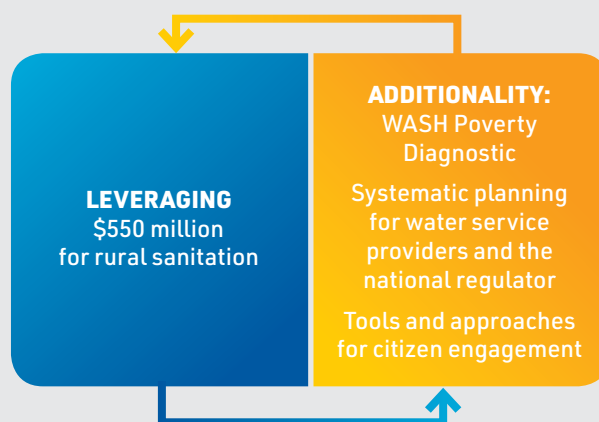
Egypt's 2011 revolution demanded political change to promote more inclusive institutions and help rebuild the social contract between the country's 92 million residents and their government.

In the WSS sector, the country is decentralizing services to the local level, which will bring customers closer to providers, enhancing accountability for services. This new model requires the building of new water service providers and changes in the way national institutions such as the national water regulator function. These institutional changes are happening at a time when Egypt, which met its WSS Millennium Development Goals (MDGs) ahead of the 2015 target, is finding that services are far from meeting the SDG requirements. For example, rural sanitation is often provided through trenches, which increase pollution in densely populated areas, while urban service providers remain dependent on high subsidies from the central government, with negative impacts on service quality.

A \$550 million World Bank rural sanitation operation, using a results-based approach, focuses on accountability, sustainability of service delivery, and performance of the water service providers. The program aims to help providers become more financially sustainable over time to ease their dependence on government resources. GWSP supports institutional capacity-building efforts to strengthen relationships between the national government, the regulator, water service providers, and customers.



GWSP carried out a capacity assessment as part of the government's annual "state of the sector" report, which will help the government increase cost recovery and take a more systematic approach to monitoring water service providers' performance. GWSP supported the development of performance improvement action plans to help water service provider staff achieve operational, financial, institutional, and citizen engagement performance targets. These plans are to be used by the Egyptian Water Regulation Agency as it oversees the water service providers, and by the



water service providers to track their progress over time—prioritizing the reduction in operating costs in the short term and improving services in the long term.

As part of supporting performance improvement, the GWSP has focused on building sector-wide capacity in procurement and contract management to achieve operational targets, especially in satellite villages in rural areas. This capacity building includes the establishment of an Independent Panel for Bidders' Complaints; training for water service providers on the use of standard bidding documents and for the local construction industry on bid preparation; and support for the planning and start-up of a knowledge hub for procurement, construction management, and monitoring and evaluation (M&E) at the American University in Cairo.



To strengthen water service providers' accountability, the government established a High-Level Committee to oversee citizen engagement across the sanitation sector. Activities include reforming and expanding the complaints hotline mechanism, reaching out to citizens who are likely to be excluded from information, and training government and project staff in responding to the needs of citizens.

GWSP supports community outreach, particularly to women and other vulnerable groups. To help the water service providers achieve their citizen engagement-related indicators in their respective performance improvement action plans, GWSP has supported the rollout of a “citizen report card” and provided training for specific providers. The experiences have been documented in a Knowledge and Learning Note—*Integrating Citizen Engagement into Program Design: Egypt’s Sustainable Rural Sanitation Services Program Experience*—produced in collaboration with the Urban GP to highlight citizen engagement activities and inform the preparation of similar projects in the region.

SELECT TARGETS

- Implementation of the annual performance assessment (APA) systems and achievement of threshold scores
- Establishment of 167,000 household connections in villages and satellites
- Preparation and approval of a new national tariff structure for WSS services





RESILIENCE

A Framework for the Future

CHALLENGE: The future is expected to bring more shocks and stresses, not only caused by climate change but also by adverse political and financial events. Governments are too often ill-prepared to respond to sudden threats, putting at risk the life and livelihoods of their populations as well as existing and planned infrastructure.

APPROACH: GWSP supports the GP in leading the resilience challenge, from catalyzing global expert advice on emergency response to drought, to developing tools for building the resilience of small island states, to developing frameworks for looking at long-term country and city challenges.

ADDITIONALITY: In Kiribati, fresh water reserves are critical for the residents of South Tarawa, the capital city. GWSP supported the preparation of the South Tarawa Water Supply Project by informing the design of collective water supply infrastructure; and defining the groundwater reserve protection activities, appropriate water use, and conservation and hygiene awareness programs. The report will guide the government in maximizing the conservation and protection of the freshwater reserves and in building the resilience of the city's water supply to future anthropogenic and climate-related threats. The GWSP also supports the completion of a rainwater harvesting scoping study, an urban groundwater study, a water resilience study, and a water use and perceptions sociological analysis.

ADDITIONALITY: The Freshwater by Design Framework (formerly the Decision Tree) helps project teams and governments assess the risks and uncertainties associated with climate change and their potential impacts on water management and infrastructure, even under stress. It provides tools and options for conducting climate risk assessments

OPENET

GWSP supports innovations in the use of remote sensing tools. The [OpenET](#) digital platform and web applications aim to make low-cost evapotranspiration estimation more readily accessible to clients at all levels of capacity. The platform takes advantage of cloud storage, satellite imagery, and computing power, and leverages free algorithms in Google Earth Engine to run periodically over large areas, providing clients with data to better measure hydrological conditions. Bank experts, using knowledge gained through GWSP-funded evapotranspiration applications in five river basins, are collaborating with academia, policy makers, and web developers to translate open source data for private and public use.

with the aim of building stronger, safer, and more resilient infrastructure and societies. The framework is currently being used in Mexico, Nepal, Kenya, Tanzania, and Peru.

- In Mexico, GWSP funding enabled the project team to undertake a comprehensive analysis of water resources in the Valley of Mexico, where the Freshwater by Design Framework is being applied to the Cutzamala system. This work informed the preparation of a \$296 million pipeline project to improve the system's reliability and strengthen the management of groundwater resources in the Valley of Mexico. It will also be incorporated into one system-wide assessment to help Mexico City improve its water security.

PORTFOLIO SHIFTS:

- 25% of new knowledge and analytics activities support resilience

PORTFOLIO INFLUENCE:

- 75% of new lending projects are incorporating resilience in their design
- 54% of new lending commitments have climate change co-benefits

PORTFOLIO RESULTS:

- 3.7 million people live in areas covered by water risk mitigation measures
- 22 basins have management plans

- In Tanzania, the GWSP is helping improve water management to attain national economic development goals. This requires smart water allocation, reflecting the economic value of water, across various sectors. In support of a new Land and Water Development Project, GWSP funded an institutional analysis, a water valuation analysis, and a political economy analysis. The work is influencing \$575 million in active lending and the development of a \$600 million pipeline portfolio in water and energy. Moreover, the GWSP's support helps strengthen institutions and advance an innovation for development process, in collaboration with the World Economic Forum, which focuses on monitoring and enforcement for resilient water allocation.

WPP Evolution: Dry Cities

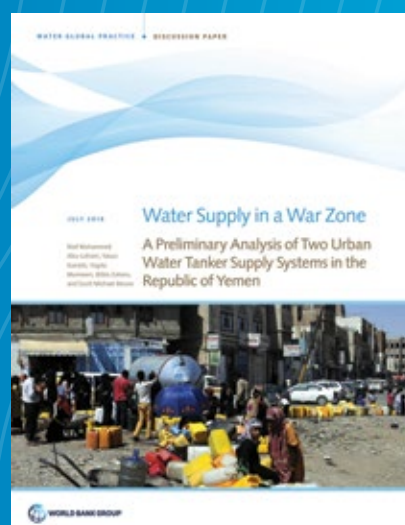
CHALLENGE: Nearly one quarter of humanity lives in countries of physical water scarcity. Governments face a host of emerging threats to their water security. Effective management of water resources will be critical to sustaining inclusive and sustainable urban water services across water-scarce regions.

APPROACH: The World Bank's WSC initiative, maintained with GWSP resources, serves as a connecting thread among water-stressed cities. WSC, which began as the "dry country" pillar of the WPP's Integrated Urban Water Management Initiative, offers an integrated water approach that encapsulates political, social, and institutional dimensions. This initiative includes close collaboration with the Cooperative Research Center for Water Sensitive Cities, based in Australia. Together, partners provide study tours and training events for sharing lessons on experiences from wastewater reuse to aquifer rehabilitation.

WATER IN FRAGILE CONTEXTS

Perhaps nowhere in the world is the lack of resilience a greater threat to sustaining development outcomes than in fragile and conflict-affected (FCA) states. By 2030, half of the world's poor are expected to live in fragile conditions, up from less than 20 percent today. The WSP funded four WASH PDs in three FCA countries—the Democratic Republic of Congo, Haiti, and Yemen—and the economy of West Bank and Gaza. The results are informing preparation of WSS projects in the Democratic Republic of Congo and Haiti.

In September 2017, the Yemen team shared its results at the Cholera Conference held in Geneva. The recommendations of the WASH PD also led to a more detailed study on the role of private water tankers in supplying water to the two largest cities. The findings suggest that the reliance on tankers in Sana'a and Aden undermines the affordability of water, health, and environmental management, and that urgent action is therefore needed.



CAPE TOWN: THE CITY THAT (NEARLY) RAN DRY

In 2017, Cape Town, South Africa, was approaching its third year of drought when it experienced its lowest rainfall in 200 years. By 2018, the largest dam (which serves half the city) was only 13 percent full. The mayor announced that Cape Town would be the first major city to run out of water.

The South African National Treasury asked the World Bank to advise the city on what it could do to enhance water security. The GWSP leveraged its Water Expertise Facility and Water Scarce Cities Initiative (WSC) to quickly come up with short- and long-term recommendations—among others, the need to diversify water sources through small desalination plants, groundwater abstraction, and wastewater reuse schemes. And to ensure the planning and financing of these investments will be done properly, Cape Town was advised to restructure its institutional framework so that water can in future be managed in an integrated manner across jurisdictions.

The good news is that Cape Town has not yet run dry, and it can leverage the urgency to make the drastic changes needed to bolster its resilience. The Bank's capacity to bring in the best global practices and expertise has helped decision makers transition from a reactive to a proactive approach to resilience.



ADDITIONALITY: GWSP funds have been mobilized for quick response to the growing level of interest—from all corners of the globe—in managing scarcity in cities. In FY18, the Water Urban GPs cofunded two knowledge exchanges.

A Technical Deep Dive brought 35 client representatives and 29 Bank staff from 15 countries to Tokyo, where the governments of Spain, Japan, and Brazil showcased integrated solutions for urban planning. Interest from the event led to a second exchange to learn more about the experiences of two cities in Brazil. With funding from the GWSP and the South-South Facility, a delegation of 40 people from Ghana, Ethiopia, and Indonesia studied various Brazilian approaches to addressing climate change impacts.

Moreover, the experiences of 20 dry countries in five regions have been synthesized in the newly published report *Water Scarce Cities: Thriving in a Finite World*, which aims to help governments shift mindsets about urban water provision. The WSC team has been providing operational support based on this report to clients in Lebanon, Algeria, Oman, and Iraq through workshops and discussions with platform partners.

COUNTRY SPOTLIGHT: VIETNAM

A “One Water” Approach to Enhance Sustainability

Rural Functionality

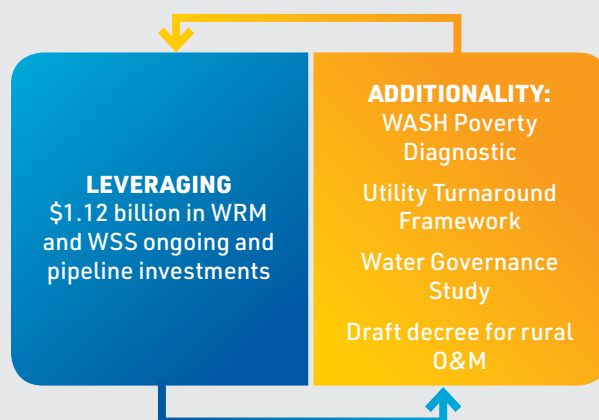
Despite \$1.5 billion invested by the National Target Program, sustainability of WSS services remains a major constraint to achieving SDG 6. In rural areas, an estimated 60 percent of access points are either not functioning or underperforming. National Target Program targets were geared toward infrastructure design and construction and failed to consider institutional arrangements for monitoring services or financing long-term O&M costs. Today, the financial sustainability of operators is hindered by low demand for piped water and an unwillingness to charge for services at cost recovery levels.



A \$225 million results-based program is being implemented in 21 provinces in Vietnam to scale up access to rural water and sanitation. GWSP funds are being used to address sustainability in two dimensions. First, to define institutional roles beyond construction, the GWSP supported the Ministry of Agriculture and Rural Development in drafting a decree to clarify responsibilities for the O&M of centralized rural water schemes, expected to be approved next year. Complemented by a review of PSP in rural water, the decree is helping the government strengthen the enabling environment under which operators function, with the long-term aim of improving the sustainability of services.

Urban Integration

Less than 40 percent of the population has access to piped water supply in their homes. People living in the Mekong Delta are at heightened risk of losing current levels of access as upstream dam development has increased salinity in the aquifers near the delta. The government of Vietnam has recognized the need for IWRM. However, despite a 2012 Water Act, progress to put the legal framework for WRM into practice has been slow. Management of resources remains siloed within sectors or provincial boundaries, where environmental enforcement remains weak.



A proposed \$445 million Mekong Regional Water Security Project will help finance a bulk water supply scheme in the Mekong Delta to move the source upstream, to less saline areas, which entails a higher cost to distribute the water to the provinces. GWSP resources have been deployed to support this project in two vital ways: by (i) garnering public buy-in for challenging institutional reforms and (ii) bolstering the capacity of the implementing agency.



The GWSP funded the first comprehensive review of Vietnam’s water sector in a decade. The water governance study shows that a business-as-usual approach to escalating water demand and degrading water supplies is no longer feasible. The report calls for integrating functions across jurisdictions and other steps for implementing the Water Act. The consultation process, which engaged many civil society and nongovernmental organizations, received extensive media coverage, enhancing the public’s awareness of water security challenges. An action plan is now underway to accelerate the Act’s implementation, which will bolster results under the Mekong Water Security Project.



The GWSP has also supported a pilot application of the Water GP's UTF in the provincial utility Can Tho Water Supply and Sewerage Joint Stock Company, a potential implementing partner in the Mekong Water Security Project. The resulting maturity assessment and implementation plan provide a strategic approach to improving performance in just one year, from improving customer satisfaction with services to creating long-term financing strategies.

SELECT TARGETS

- 105,000 households have access to sustainable water systems
- 630 new communes benefiting from commune-wide sanitation
- 50% of operating costs for wastewater management in Ho Chi Minh City covered by customer fees





4 ACHIEVE RESULTS

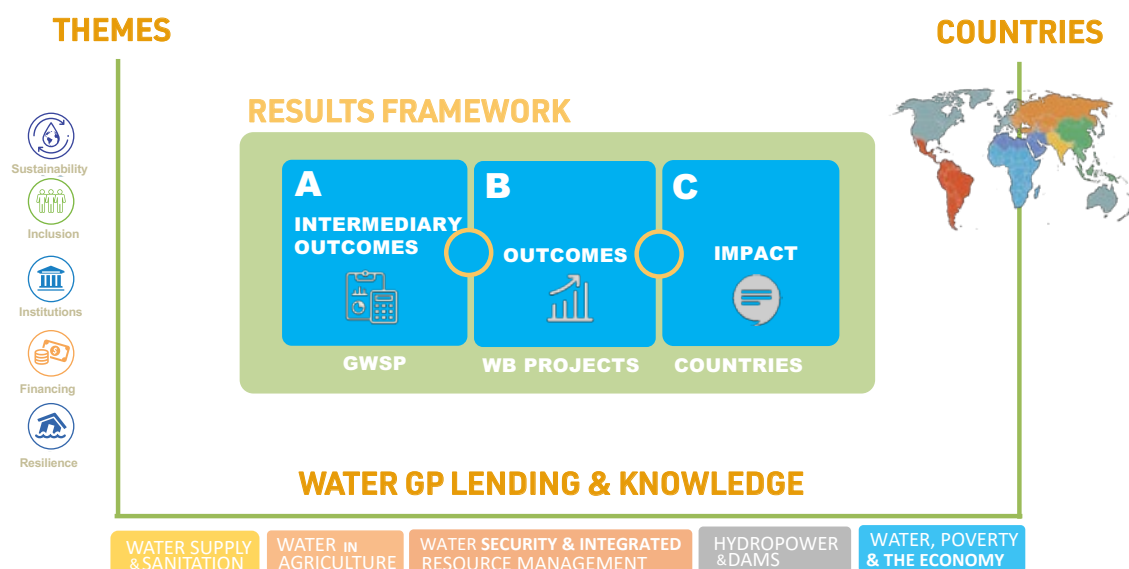
GWSP funds are invested to help shift the overall water portfolio toward more sustainable investments. While the Water GP has always promoted sustainable project operations, the GWSP strengthens that objective by providing a clear incentive structure for staff and World Bank client country governments—the borrowers and grant recipients of World Bank funding. Under this new results framework, all task teams are guided to demonstrate how their programs are enhancing sustainability.

The GWSP's results framework integrates knowledge and analytics activities into lending operations. It

drives synergy, raises efficiency, and demonstrates the additionality of GWSP funds—or the added value that could not be achieved with World Bank resources alone.

As presented in chapter 2 and illustrated in chapter 3 through select examples, the GWSP responds to client demand across the five business lines by investing in five priority themes, besides focusing on a subset of countries for experimental learning (country spotlights). The GWSP results framework has thus been built around these three core elements, as shown below. Results are aggregated across all GWSP activities and reported along three Blocks: A, B, and C.

GWSP's Results Framework: Priority Themes, Business Lines, and Countries



Block A: GWSP-Supported Knowledge and Analytics

This block tracks the results that are directly achieved by the knowledge and analytics funded by GWSP. It comprises global, regional, and country analyses, as well as the technical assistance provided to World Bank client counterparts. Most GWSP activities are multiyear tasks and cross-cutting in nature and therefore often contribute to results across several of the five GWSP priority themes.

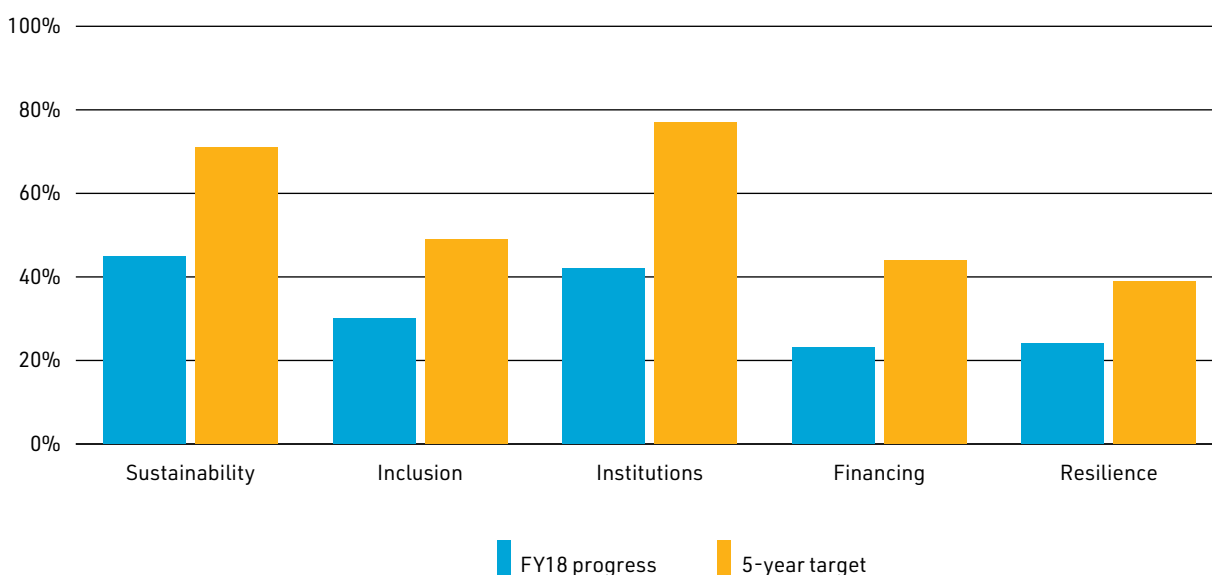
Block A results are tracked annually and supplemented by qualitative analyses and narratives, as illustrated in chapter 3 of this report. The chart below shows, in aggregate, the percentage of new knowledge and analytics activities that are expecting to deliver, and are delivering, on one or more priority theme indicators. A complete list of the indicators by theme, as well as the targets and progress made are presented in annex B.

In FY18, progress has been made across all five priority themes. As shown below, for example, 71 percent of new knowledge and analytics activities are expected to deliver on sustainability targets by 2022. Thus far, 46 percent have already reported progress. The remaining 25 percent are expected to deliver on their sustainability indicators before 2022. Moreover, the 5-year target will be adjusted as additional activities are added in subsequent years.

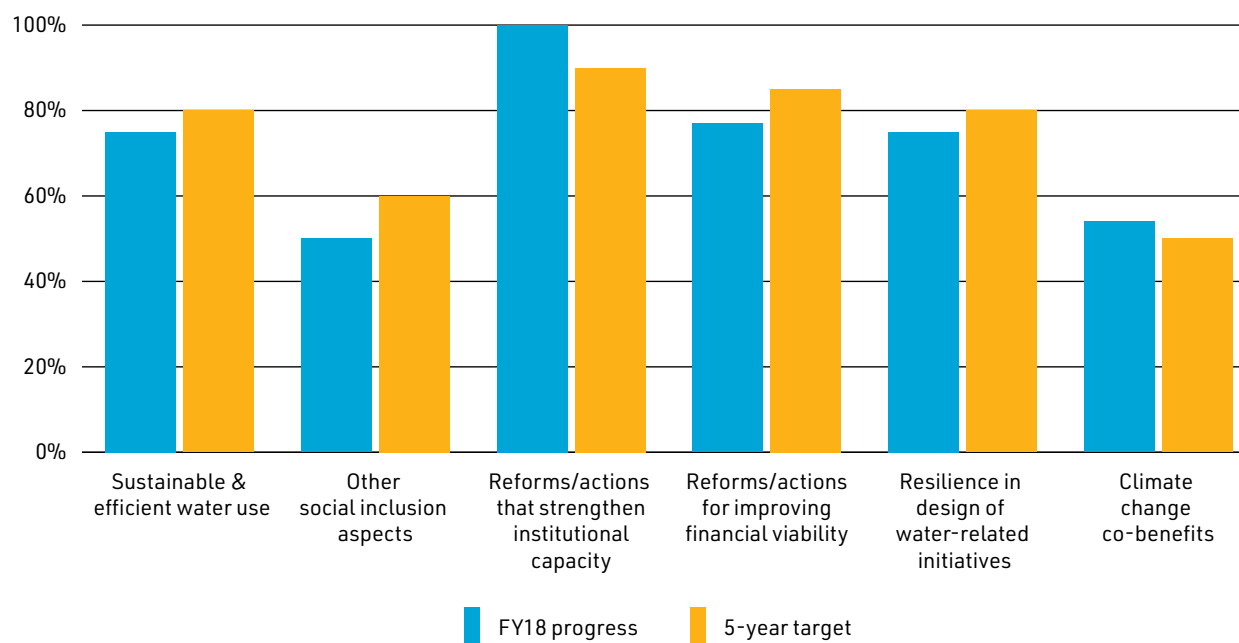
Block B: Water GP Outcomes

This block tracks partnership influence on the results of World Bank lending. It does this in two ways. Firstly, by tracking inputs to mainstreaming the five themes in water lending operations. Select indicators are provided in the chart on the following page. The complete table of block B indicators, targets, and FY18 progress is presented in annex B.

BLOCK A: PROPORTION OF NEW KNOWLEDGE AND ANALYTICS ACTIVITIES THAT SUPPORT THE GWSP PRIORITY THEMES



BLOCK B: PROPORTION OF NEW KNOWLEDGE AND ANALYTICS ACTIVITIES THAT CONTRIBUTE TO:



Note: Other social inclusion aspects refer to projects that target the poor, and vulnerable or underserved communities or areas. They exclude citizen engagement, which is reported on as part of corporate monitoring.

Secondly, via the results of ongoing lending operations, most of which were influenced by WSP, WPP, and GWSP-funded activities. The complete table of block B indicators, targets, and FY18 progress is presented in annex B. Some select indicators are the following:

- 15.7 million additional people now have access to improved water services, 7.9 million of whom are female;
- 11.5 million additional people now have access to improved sanitation services, 5.7 million of whom are female;
- 2 million farmers are adopting improved agricultural technology, 400,000 of whom are female;
- 4.3 million people have been trained on hygiene behavior, 2.1 million of whom are female;
- 1.8 million water users have been provided with improved irrigation and drainage services, 500,000 of whom are female;
- 3.7 million people live in areas covered by water risk mitigation measures.

Block C: Country-Level Outcomes

The GWSP is a demand-driven program that engages with clients worldwide. To help strengthen the overall impact of future GWSP interventions at the country level, the partners have agreed to direct some resources toward experimental learning in a subset of countries. The purpose of this is to test innovative interventions and approaches to shift the trajectory of a country's outcomes so that the resource impact is maximized. The partners also aim to discover how the future water portfolio can be restructured to elicit greater client demand for WRM interventions, more integrated approaches, and greater prioritization of the five GWSP themes.

The GWSP has identified nine countries where the partnership will invest strategically: Bangladesh, Benin, Bolivia, Egypt, Ethiopia, Haiti, Pakistan, Uganda, and Vietnam.⁸ These "Block C" countries (referring to their progress as tracked in Block C of the results framework)

⁸ Block C countries may change in future years and reporting is not limited to the nine priority countries. In addition, as agreed by the GWSP donors, for any given block C country, key results areas and indicators may evolve over time as a result of changing client priorities.

are expected to see large-scale World Bank engagement in the next five years, and are thus primed for investing GWSP resources in an investigative manner. The GWSP has an agreement with partners to allow flexibility in country choice to accommodate exogenous uncertainties.

Block C tracks the combined effect of both lending and nonlending interventions at the country level. A results matrix was completed for each country based on proxy indicators (annex B). The indicators are categorized into results areas and include a baseline and a target. Indicators and targets are pulled from ongoing and expected World Bank operations across the water business lines. Therefore, indicators are unique to each country and may evolve to reflect shifts in government priorities.

BLOCK C HAS THREE REPORTING CYCLES:

- Baseline (FY18)
- Mid-term (FY20)
- End-term (FY22)

For FY18, qualitative stories for five focus countries can be found in chapter 3, under "country spotlights," one for each of the five themes.

Subsequent qualitative and quantitative assessments will be conducted at the mid-term (FY20) and end (FY22) of this GWSP funding cycle. This year, the program is reporting on block C through a series of qualitative country highlights to demonstrate the evolving strategy and GWSP's expected role in targeted sector outcomes (chapter 3).

Block C: Indicative Country-Level Metrics

BANGLADESH

Key Focus Area	Outcome
Urban Sanitation	Monitoring and evaluation strengthened
	Human resources and organization development
	Accountability towards customers
Urban Water	Operational effectiveness
	Inclusion-focused monitoring and evaluation
Rural Sanitation	Leveraged funding from private financial sector

BOLIVIA

Key Focus Area	Outcome
Urban Sanitation	Policy/legal framework
	Targeted planning and investment
Rural Water	Targeted planning and investment
	Inclusion-focused monitoring and evaluation
	Resilient investments
IWRM	Sector planning and system design

BENIN

Key Focus Area	Outcome
Rural Water	Policy / legal framework
	Accountability toward customers
	Inclusive management and service delivery
	Financial sustainability of service providers: sustainable revenue sources
Rural Sanitation	Investment planning and delivery

EGYPT

Key Focus Area	Outcome
Rural Sanitation	Regulation
	Monitoring and evaluation
	Management Autonomy and leadership
	Human resource and organization development
	Accountability toward customers
	Inclusive management and service delivery
	Financial sustainability of service providers

ETHIOPIA

Key Focus Area	Outcome
Rural Sanitation	Operational effectiveness
	Human resources and organization development
Urban Water & Sanitation	Operational effectiveness
Urban Sanitation	Targeted planning and investment (by actors influenced by WB)
Rural Water & Sanitation	Targeted planning and investment (by actors influenced by WB)

HAITI

Key Focus Area	Outcome
Rural Water	Monitoring and evaluation
	Human resources and organization development
	Financial sustainability of service providers: sustainable revenue sources
	Financial sustainability of enabling institutions at national and local levels
Rural Sanitation	Sector planning and system design
Rural Water & Sanitation	Investment planning and delivery

UGANDA

Key Focus Area	Outcome
Rural Water	Operational effectiveness
Rural Sanitation	Targeted planning and investment
Urban Sanitation	Investment planning and delivery
IWRM	Investment planning and delivery
Urban Water	Accountability toward customers
	Operational effectiveness

VIETNAM

Key Focus Area	Outcome
Rural Water	Policy / legal framework
	Operational effectiveness
	Financial sustainability of service providers: sustainable revenue sources
Rural Sanitation	Leveraged funding from service users (households, community groups, industrial, public administrations and other users)
Urban Sanitation	Financial sustainability of service providers: sustainable revenue sources
IWRM	Leveraged funding from private financial sector
	Policy, legal, and regulatory frameworks for sustainable water resource management

PAKISTAN

Key Focus Area	Outcome
Rural Water	Monitoring and evaluation
	Inclusive management, and service delivery (by actors influenced by WB)
	Financial sustainability of service providers: sustainable revenue sources
Urban Water	Management autonomy and leadership
	Targeted planning and investments (by actors influenced by WB)
IWRM	Monitoring and evaluation
	Policy, legal, and regulatory frameworks for sustainable water resource management
	Sector planning

MOVE Forward

The GP aims to become the partner of choice for clients and donors who want to be the game changers in the water sphere. With its current funding envelope,⁹ the GWSP partners plan to continue investing across all five priority themes. Over the next year, the GWSP will enable the GP to expand its impact and support deeper contributions toward two critical needs: finance and technology.

Disruptive technologies have the potential to advance outcomes if they are properly integrated into country-based delivery systems through World Bank lending operations. The GP, a pioneering member of the OpenET platform, is already piloting low-cost remote sensing applications in five river basins to better estimate floods, crop yields, groundwater availability, and water quality using satellite data. With a technology strategy in the works, the GP will expand the use of its water data platforms (IBNet and SIASAR),¹⁰ while developing new analytical work on the fintech market, utility modernization in the 21st century, and mechanisms to scale up innovative sanitation solutions.

The second innovation will be through connecting the thread between global advocacy on financing the SDGs, and local transactions at the country level. Next year, the Water GP will marry the two initiatives of valuing water at the global level and maximizing finance for development (MFD) by conducting a global flagship study on subsidies—looking at the incentives and disincentives generated by country subsidy policies and how they change the way people value and use water.

Moreover, securing additional resources would boost the number of in-country staff. Long-term staff presence in a country enables the GP to remain engaged on water

issues between investments. The WSP model proved that the field staff's ability to continually boost country institutions' capacity had an invaluable impact. The model helps institutions withstand the detriments of short political cycles and shifts in leadership priorities over time. Moreover, GP staff can bring global knowledge to new administrations quickly, helping sustain the momentum needed for reform.

In FY18 the GP mobilized more female and decentralized staff, especially in FCA countries. Additional funding would help expand staff levels to the GP's full capacity—about 310 water professionals.

Conclusion

In its inaugural year, the GWSP has set a firm foundation — from selecting priority themes to formulating baselines — for the next four years of donor support to the water security agenda. Not only has the GWSP helped maintain the continuity of WSP and WPP initiatives, it has supported the GP in forging a new path to 2030 by emphasizing sustainability across investment selection and sector outcomes.

Progress thus far shows that the Water GP, and other sectors within the World Bank, are influencing clients, who are in turn shifting their demand toward more integrated, robust and results-oriented programming. And as the GWSP's influence on Bank lending grows, clients worldwide will continue to experience for themselves how global “knowledge in implementation” yields stronger institutions that can deliver better and more sustainable development outcomes.

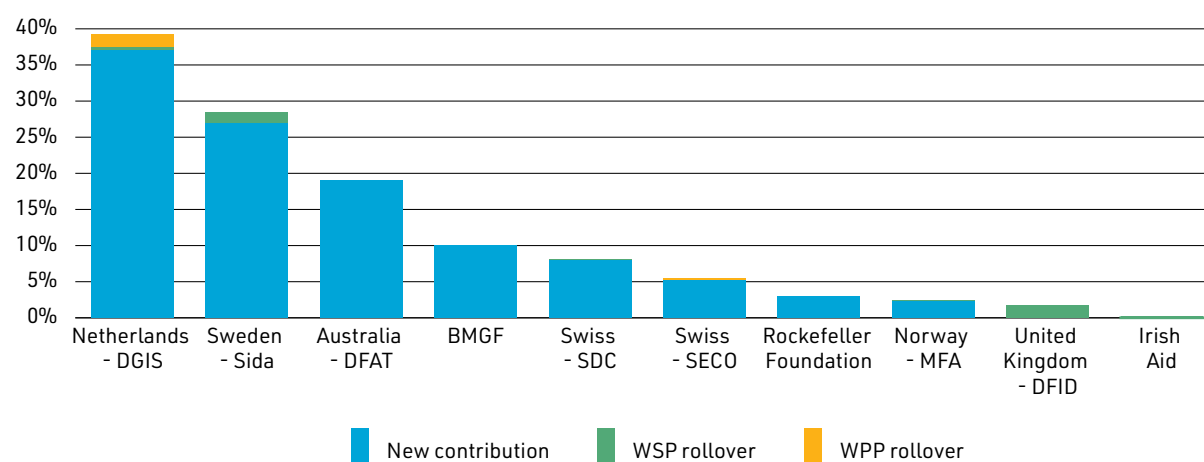
9 Commitments made to the GWSP by its 10 donors as of June 30, 2018, totaled \$118 million. The anticipated overall contribution is \$200 million over the course of the 5-year program, leaving \$82 million yet to be committed.

10 IBNet (International Benchmarking Network for Water and Sanitation Utilities) offers direct access to the world's largest database on WSS utilities' performance. SIASAR (Spanish acronym for Rural Water and Sanitation Information System) is a platform designed to assist water sector policy makers, practitioners, and national planners in monitoring the development and performance of rural WSS services.

ANNEX A:

FINANCIAL UPDATE

GWSP Donor Commitments



The GWSP was designed as a 5-year program for its first phase. In alignment with the program's objectives, the GWSP anticipates commitments for the 2018–22 period to total \$200 million. As of June 30, 2018, eight donors had contributed \$111.43 million in new funding to GWSP and the remaining \$6.15 million in WSP and WPP funds from two partners was rolled over into GWSP. The program strives to raise an additional \$82.42 million from existing or new donors to reach the anticipated \$200 million commitment.

	Amount (\$, millions)
GWSP funding goal (2018–22)	200
New commitments	111.43
WSP rollover	3.98
WPP rollover	2.17
Total donor commitments	117.58
GWSP funding gap	82.42

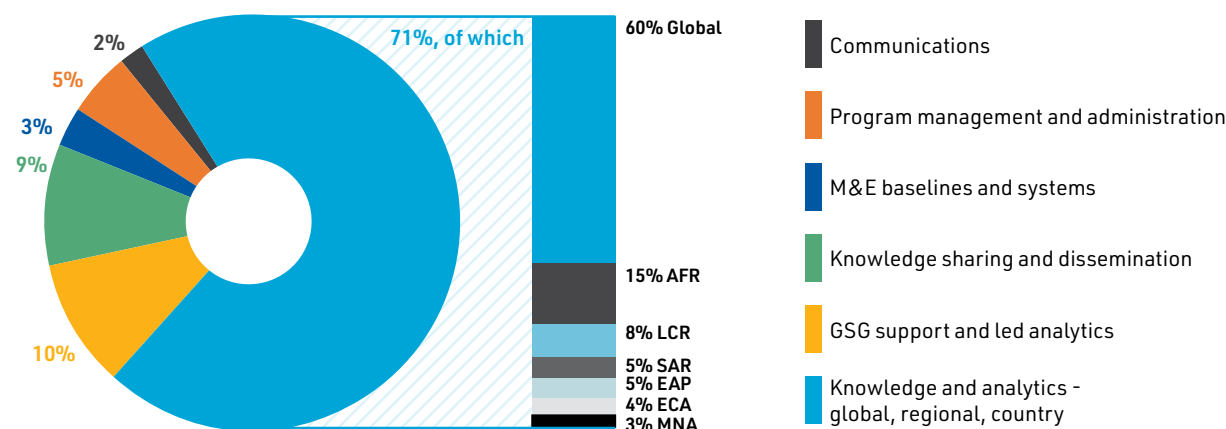
GWSP Donor	USD (millions)
Netherlands - DGIS	39.34
Swedish International Development Cooperation Agency (Sida)	28.43
Australia - Department of Foreign Affairs and Trade (DFAT)	19.08
The Bill & Melinda Gates Foundation (BMGF)	10.00
Swiss Agency for Development and Cooperation - (SDC)	8.14
Swiss State Secretariat for Economic Affairs (SECO)	5.46
Rockefeller Foundation	3.00
Norway - Ministry of Foreign Affairs (MFA)	2.37
United Kingdom - (DFID)	1.74
Ireland - Ministry of Foreign Affairs (MFA)	0.02
TOTAL COMMITMENTS	117.58

Note: DFID = Department for International Development; DGIS = Directorate-General for International Cooperation.

FY18 Allocations

The GWSP has not yet raised its entire anticipated commitment from partners and start-up implementation has been scaled accordingly. For example, the hiring of local staff has been slower than anticipated due to the short-term funding gap.

Through June 30, 2018, \$35.28 million had been allocated to GWSP work program activities.¹ More than two thirds (71%) of the allocation went to specific, multiyear, knowledge and analytics activities that are either global, regional, or country-based. The largest allocations went to global knowledge work, followed by knowledge and analytics for Africa.



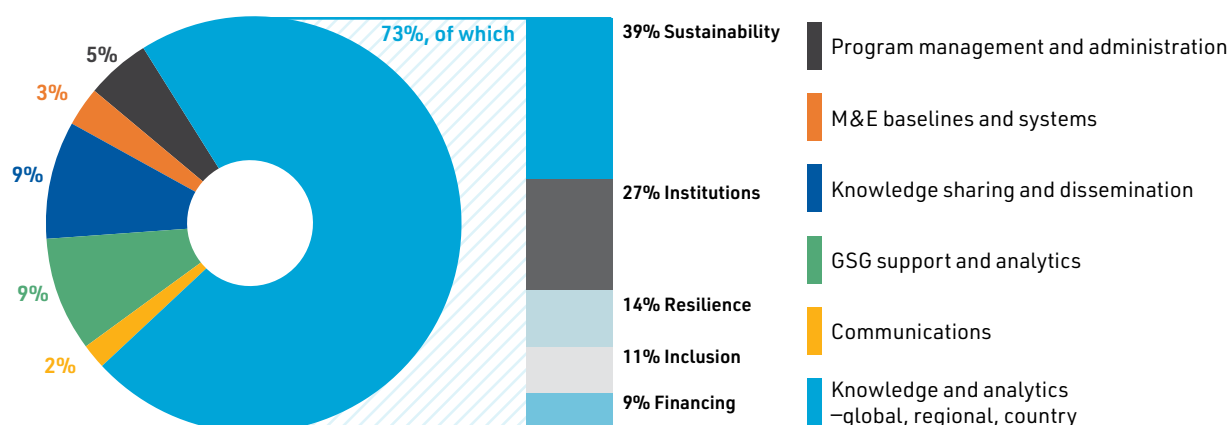
Note: AFR = Africa; EAP = East Asia and Pacific; ECA = Europe and Central Asia; LAC = Latin America and the Caribbean; MNA = Middle East and North Africa; SAR = South Asia.

¹ FY18 was not a typical year for GWSP. While the Water GP was launching GWSP, it was also simultaneously closing out two long-standing partnership programs—WSP (June 30, 2017) and WPP (October 31, 2017). During this period, WPP disbursed a total of \$10.9 million.

FY18 Disbursements

Of the total initial allocation, \$24.4 million, or 70 percent, was disbursed in FY18. GWSP funded 87 knowledge and analytics activities in 31 countries, in addition to regional and global activities. Each activity contributed to one or more of the priority themes.² Another 18 percent of disbursements supported the global knowledge and advocacy work of the five Global Solutions Groups (GSGs)

and the GP's knowledge and learning team. Management and administration costs comprised just 5 percent of total disbursements. In FY18, the Water GP also completed disbursement of the final year of WPP funding, an additional amount of \$10.9 million. Taken together, FY18 GWSP and WPP disbursements totaled \$35.3 million.



Note: GSG = Global Solutions Group (World Bank); M&E = monitoring and evaluation.

² Most GWSP-financed activities are cross-cutting in nature, reflecting their comprehensive approach, and thus cannot be clearly distilled as one of the five themes. For clarity of reporting and to avoid double counting, the activities are being reported according to the leading theme associated with the respective activities.

ANNEX B:

RESULTS PROGRESS

Block A: GWSP-Funded Knowledge and Analytics Activities

TABLE A. KNOWLEDGE AND ANALYTICS RESULTS INDICATORS

























Indicator	% of activities with indicator	
	Preliminary targets	FY18 progress
SUSTAINABILITY		
Policies / strategies / regulatory frameworks informed to strengthen: a) sustainable management of water resources and/or b) built infrastructure assets.		50%
		25%
Tools and monitoring systems supported to strengthen: a) the sustainable management of water resources at the national, basin and/or aquifer level and/or b) built infrastructure assets.		28%
		14%
Water-related institutions supported to: a) sustain water resources; and/or b) built infrastructure assets.		44%
		24%
Knowledge products generated on sustainability.		43%
		27%
INCLUSION		
Policies / strategies generated or refined to enhance social inclusion in the management of water resources, or service delivery.		30%
		16%
Initiatives that develop approaches including integrated cross-sectoral approaches where relevant to address water, sanitation and/or nutrition issues.		18%
		13%
Water-related institutions trained in gender and/or inclusion issues and/or HR practices related to diversity and inclusion.		15%
		8%
Knowledge products generated on inclusion.		23%
		18%
INSTITUTIONS		
Policies/strategies/regulatory frameworks informed to strengthen the institutional environment for improved water resource management and/ or water services delivery.		44%
		19%
FCV supported to develop and/or implement a water sector transition strategy.		10%
		4%
Water-related institutions supported to strengthen capacity for managing water resources, or service delivery.		50%
		27%
Knowledge products generated on institutions.		35%
		19%

TABLE A. KNOWLEDGE AND ANALYTICS RESULTS INDICATORS (CONTINUED)

Indicator	% of activities with indicator	
FINANCING		
Policies/strategies/regulatory frameworks developed to improve financial viability.	<div><div></div></div>	29%
	<div><div></div></div>	12%
Institutions supported to improve their financial viability and credit worthiness.	<div><div></div></div>	23%
	<div><div></div></div>	12%
Knowledge products generated on financing.	<div><div></div></div>	26%
	<div><div></div></div>	16%
RESILIENCE		
Policies / strategies / regulatory frameworks developed or implemented to strengthen resilience of freshwater basins, and/or of the delivery of services for communities dependent on them.	<div><div></div></div>	16%
	<div><div></div></div>	5%
Diagnostics conducted or implementation undertaken to promote principles of building freshwater resilience.	<div><div></div></div>	15%
	<div><div></div></div>	11%
Water-related institutions supported to build resilience in water resource management, or service delivery.	<div><div></div></div>	17%
	<div><div></div></div>	8%
Knowledge products generated on resilience.	<div><div></div></div>	28%
	<div><div></div></div>	18%

Note: FCV = fragile and conflict-affected.

TABLE B.1: PORTFOLIO INFLUENCE INDICATORS

GWSP Priority Theme		Sustainability			Inclusion		Institutions	Financing ³		Resilience		
Indicator	Number of new projects approved	% of new projects that promote sustainable & efficient water use	% of new rural WSS lending projects that measure "functionality" of water points	% of new projects with gender dimensions (analysis, action and results) ¹	% of new projects that are gender tagged	% of new projects with other social inclusion aspects ²	% of projects that support reforms/ strengthen institutional capacity	% of projects that support reforms/ actions for improving financial viability	% of projects with explicit focus on leveraging private finance	% of projects incorporating resilience in design of water-related initiatives	Number of Fragile and Conflict-affected states supported with a resilience lens ⁴	% of new WB lending commitments with climate-change co-benefits
RESULTS												
Baseline	FY15	29	69%	0%	59%	N/A	72%	67%	6%	69%	5	29%
	FY16	27	63%	50%	56%	N/A	100%	88%	6%	74%	5	18%
	FY17	27	74%	25%	70%	N/A	100%	81%	10%	74%	5	31%
Progress (Year 1)	FY18	28	75%	60%	100%	50%	100%	77%	14%	75%	2	54%
Target ⁵	FY22		80%	80%	90%	55%	90%	85%	14%	80%	15	50%

Note:

1/ Social Inclusion - Gender: Projects that include gender in all 3 dimensions i.e. analysis, action and monitoring results framework. The IDA gender indicator has been revised under the IDA-18 to enhance monitoring. The new indicator is "Percentage of new products that are gender tagged". As part of the corporate reporting, the Water GP monitored the old indicator during the transition period (FY17) and began reporting on both old and new indicators in FY18.

2/ Other Social Inclusion aspects - Projects that target the poor, vulnerable or underserved communities or areas. Excludes citizen engagement and gender which we are reporting on as part of corporate monitoring.

3/ Financing - Total % is estimated based on relevant projects only since this is not relevant for the 'Water Security and Integrated WRM/Dams' theme

4/ Fragile & Conflict-affected States supported with a resilience lens - This refers to number of fragile and conflict states supported over the next five years. In FY16, 35 countries have been classified as FCA states as per corporate guidelines.

5/ Total targets: The total targets are estimated based on a weighted average of 45% operations in Water Supply & Sanitation; 45% operations in Water Security & Integrated WRM/Dams and 10% operations in Water for Agriculture

TABLE B.2. SECTOR RESULTS INDICATORS

		Baseline		Progress	Indicative Targets	
		FY13-17	Yearly average	FY18	FY18-22	Yearly average
WATER SUPPLY AND SANITATION						
1.1	People with access to improved water sources	72 mln	14 mln	15.7 mln <i>of which female: 7.9mln</i>	70 mln	14 mln
1.2	People with access to improved sanitation	30 mln	6 mln	11.5 mln <i>of which female: 5.7 mln</i>	80 mln	16 mln
1.3	BOD pollution loads removed by treatment plants	15,000 tons/yr	3,000 ton/yr	8,300 tons/yr	25,000 tons/yr	5,000 tons/yr
1.4	People trained on hygiene behavior	11.7 mln	2.3mln	4.3 mln <i>of which female: 2.1mln</i>	13 mln	2.6 mln
1.5	Utilities with improved working ratio	85	17	27	90	18
WATER FOR AGRICULTURE						
2.1	Area with new/improved irrigation services	4.3 mln ha	0.8 mln ha	0.5 mln	4 mln ha	0.8 mln ha
2.2	Farmers adopting improved agricultural technology	6 mln	1.2 mln	2 mln <i>of which female: 0.4mln</i>	3.5 mln	0.7 mln
2.3	Water User Associations created/strengthened	17,900	3,580	4,900	20,000	4,000
2.4	Water users with improved irrigation services	5.6 mln	1.1 mln	1.8 mln <i>of which female: 0.5mln</i>	5 mln	1 mln
WATER SECURITY AND INTEGRATED WRM						
3.1	People in areas covered by water risk mitigation measures (flooding/drought)	15.3	3 mln	3.7 mln	16 mln	3.2 mln
3.2	Basins with management plans/stakeholder engagement mechanisms	85	17	22	140	28
3.3	Institutions with WRM monitoring systems	110	22	30	120	24
3.4	Area under sustainable land/water management practices	1.2 mln ha	0.24 mln ha	0.32 mln ha	1.3 mln ha	0.26 mln ha
HYDROPOWER AND DAMS						
4.1	Hydropower generation capacity constructed/rehabilitated	2,100 MW	420 MW	1,400 MW	7,500 MW	1,500 MW

Note: BOD = biochemical oxygen demand; WRM = water resources management.

Block C: Country-Level Outcomes

TABLE C.1 BANGLADESH

Business line	Outcome indicator	Proxy indicator	Baseline (July 2017)	Targets by 2022
Key area 1: Urban Sanitation	1.5. Human resources and organization development	Number of sanitation directorate posts in project area filled with trained staff Number of staff trained as per approved staff training and development program	0 134	TBD 350 (2020)
Key area 2: Urban Sanitation	1.6. Accountability towards customers	Number of customers in project supported areas who know how to raise a grievance for poor service delivery	0	TBD
Key area 3: Urban Sanitation	1.3. Monitoring and evaluation	Number of <i>pourashavas</i> in project supported area adopting an interactive M&E system for reporting and informed decision making	0	TBD
Key area 4: Urban Water	2.4. Operational effectiveness	Water Utility maturity level (score 1–5)	2	3 (2020)
Key area 5: Urban Water	3.3. Inclusion-focused monitoring and evaluation	Number of M&E systems supported by the project that can produce disaggregated data (by gender and income)	0	TBD
Key area 6: Rural Sanitation	4.4. Leveraged funding from private financial sector	Level of private sector investment (\$) into safely managed sanitation facilities influenced by WB interventions	0	TBD

Note: M&E = monitoring and evaluation; TBD = to be determined; WB = World Bank.

TABLE C.2 BENIN

Business line	Outcome indicator	Proxy indicator	Baseline (July 2017)	Targets by 2022
Key area 1: Rural Water	Policy / legal framework	AQUA-VIE Disbursement-Linked Indicators (DLIs) for sector reforms: DLI 3a: framework agreements with municipalities DLI 3b: ongoing service performance monitoring DLI4: performance-based regional contracts	Services provided at municipal level; weak service performance monitoring	DLI 3a: all framework agreements signed DLI 3b: publication by ANAEPMR of biannual service monitoring reports DLI 4: all contracts signed
Key area 2: Rural Water	1.6. Accountability toward customers	Percentage of grievances registered related to delivery of program that are addressed	0	80 percent
Key area 3: Rural Water	3.2. Inclusive management and service delivery	Number of women professionals in project areas trained in rural water supply and management-related areas	0	To be determined
Key area 4: Rural Water	4.2. Financial sustainability of service providers: sustainable revenue sources	Tariff policy for rural water supply services being applied	0	1
Key area 5: Rural Sanitation	2.3. Investment planning and delivery	National investment plan for rural sanitation prepared, including clear strategy for implementation	0	1

Note: DLI = disbursement-linked indicator; ANAEPMR is the Benin rural water utility.

TABLE C.3 BOLIVIA

Business line	Outcome indicator	Proxy indicator	Baseline (July 2017)	Targets by 2022
Key area 1: Urban Sanitation	1.1 Policy/legal framework	National strategy for wastewater management, including decentralized sanitation, approved and implemented	0	1
Key area 2: Urban Sanitation	3.1 Targeted planning and investment	Number of (selected) cities covered by the project that have implemented city wide urban sanitation planning processes including FSM	0	1 large and 3 intermediate cities
Key area 3: Rural Water	3.1 Targeted planning and investment	Number of targeted communities with improved water sources	0	216
Key area 4: Rural Water	3.3 Inclusion-focused monitoring and evaluation	Number of municipalities covered by the project that are collecting basic information on their communal piped water systems	0	36
Key area 5: Rural Water	5.2 Resilient investments	Number of improved water sources resulting from the project intervention	0	10200
Key area 6: IWRM	5.1 Sector planning and system design	Number of Basin Plans including climate change considerations based on sector specific guide	0	3

Note: FSM = fecal sludge management; IWRM = integrated water resources management.

TABLE C.4 EGYPT

Business line	Outcome indicator	Quantitative indicator	Baseline (July 2017)	Targets by 2022
Key area 1: Rural Sanitation	1.2. Regulation	SRSSP AF: DLI 7: Strengthen capacity of the EWRA	No	Yes
Key area 2: Rural Sanitation	1.3. Monitoring and evaluation			
Key area 3: Rural Sanitation	1.4. Management autonomy and leadership	SRSSP: DLI 3: Design and implementation of the APA system for the water service providers and water service providers' achievement of the required APA threshold scores in accordance with the Program Operations Manual	No	Yes
Key area 4: Rural Sanitation	1.5. Human Resource and organization development			
Key area 5: Rural Sanitation	1.6 Accountability towards customers			
Key area 6: Rural Sanitation	3.2. Inclusive management and service delivery	SRSSP: DLI 1: Establishment and functioning of new household connections to working sanitation systems in villages and satellites of which at least 10% of the connections are in satellite.	10,000	167,000
Key area 7: Rural Sanitation	4.2 Financial sustainability of service providers	SRSSP: DLI 4: Preparation and approval of a new national tariff structure for water and sanitation services by MHUUC to allow for sustainable cost recovery.	No	Yes

Note: AF = additional financing; APA = annual performance assessment; DLI = disbursement-linked indicator; EWRA = Egyptian Water Regulation Agency; MHUUC = Ministry of Housing, Utilities and Urban Communities; SRSSP = Sustainable Rural Sanitation Services Program.

TABLE C.5 ETHIOPIA

Business line	Outcome indicator	Proxy indicator	Baseline (July 2017)	Targets by 2022
Key area 1: Urban Sanitation	3.1. Investment planning and delivery	Number of cities that have prepared and implemented an integrated urban sanitation plan under the project	0	23 (including Addis)
Key area 2: Urban Water and Sanitation	2.4. Operational effectiveness	a) Participating utilities that have established / are using NRW data management system	0	23 (including Addis)
		b) Improved wastewater collection, transport, and disposal capacity under the project (in M ³ per day)	0	130,000 (including Addis)
Key area 3: Rural Water	2.4. Operational effectiveness	Percentage of improved water supply schemes that are nonfunctional in the program woredas	25 percent	10 percent
Key area 4: Rural Water and Sanitation	3.1. Targeted planning and investment	% of woredas with prepared and approved RWSS programs and established WWTS	50 percent	70 percent
Key area 5: Rural Sanitation	1.5. Human resources and organization development	People trained to improve hygiene behavior/ sanitation	0	976,200 (by end of 2019)

Note: NRW = nonrevenue water; RWSS = Rural Water Supply and Sanitation; WWT = wastewater treatment system.

TABLE C.6 HAITI

Business line	Outcome indicator	Quantitative indicator	Baseline (July 2017)	Targets by 2022
Key area 1: Rural Water and Sanitation	1.3. Monitoring and evaluation	Sector monitoring is enriched by suite of instruments enabling comprehensive expenditure tracking, as well as technical and financial performance monitoring.	No	Yes
Key area 2: Rural Water	1.5. Human resources and organization development	Number of POs in the South and Centre that adopt simplified technical, commercial, and financial management instruments	0	25
Key area 3: Rural Water and Sanitation	2.3 Investment planning and delivery	DINEPA takes ownership of the program budgeting tool (BPO) and uses it to coordinate the sector and harmonize monitoring practices across donors. The sector review takes place every year and uses the BPO to review sector achievements	No	Yes
Key area 4: Rural Water	3.1 Targeted planning and investment	DINEPA adopts a gender-based strategy for the provision of rural water supply	No	Yes
Key area 5: Rural Water and Sanitation	4.1 Financial sustainability of enabling institutions at national and local levels	DINEPA increases its cost recovery by 15% per year	Not tracked	Yes
Key area 6: Rural Water	4.2 Financial sustainability of service providers: sustainable revenue sources	25 POs increase their financial viability	Not tracked	Yes
Key area 7: Rural Sanitation	5.1 Sector planning and system design	DINEPA's capacity to operationalize its National Sanitation Strategy is strengthened	Not tracked	Yes

Note: DINEPA = Direction Nationale de l'Eau Potable et de l'Assainissement (Haiti's national water and sanitation agency).

TABLE C.7 PAKISTAN

Business line	Outcome indicator	Proxy indicator	Baseline (July 2017)	Targets by 2022
Key area 1: Rural Water	1.3 Monitoring and evaluation	Percentage of rural water systems in project area that are covered by MIS database	0	70 percent
Key area 2: Rural Water	3.2 Inclusive management and service delivery (by actors influenced by WB)	Percentage of CBOs providing rural water systems and supported by GWP project that have structured participation from women and the poor	0	50 percent
Key area 3: Rural Water	4.2 Financial sustainability of service providers: sustainable revenue sources	Percentage of communities engaging with GWP project where billing and metering system is in place for rural water systems	0	50 percent
Key area 4: Urban Water	1.4 Management autonomy & leadership	Number of policy and legislative changes which confirm the managerial and fiscal independence of urban water utilities	0	2 Government of Sindh issues notifications; a Sector Note and Concept Note
Key area 5: Urban Water	3.1 Targeted planning and investment (by actors influenced by WB)	Number of ongoing investments by KWSSIP in katchi abadis (informal settlements) that have been informed by GWP assessments	0	1
Key area 6: IWRM	1.3 Monitoring and evaluation	Percentage of key sites across the Indus System and supported by project, covered by real-time monitoring and data analysis/sharing system	0	100%
Key area 7: IWRM	2. 1. Policy, legal and regulatory frameworks for sustainable water resource management	Number of provincial IWRM policy framework established in provinces supported by WGP;	0	2 (KP and Sindh provinces)
		Groundwater Management Act in place in Punjab;	0	1
Key area 8: IWRM	4.2. Financial sustainability of service providers: sustainable revenue sources	Percentage of O&M costs covered by tariffs collected in project supported areas with improved level services	0	40%
Key area 9: IWRM	5.1. Sector planning and system design	Water resource planning in Sindh established and incorporates resilience to climate change and population growth.	TBD	50%

Note: CBOs = community-based organizations; ; GWP = Global Water Partnership; IWRM = integrated water resources management; KP = Khyber Pakhtunkhwa; KWSSIP = Karachi Water and Sewerage Services Improvement Project; MIS = management information system; O&M = operations and maintenance; PAD = project/program appraisal document (World Bank); TBD = to be determined; WGP = Western Greater Peshawar.

TABLE C.8 UGANDA

Business line	Outcome indicator	Proxy indicator	Baseline (July 2018)	Targets by 2022
Key area 1: Urban Water	1.6. Accountability towards customers	% of customers satisfied with services delivered	0	60%
Key area 2: Urban Water	2.4. Operational effectiveness	No of service areas that reduce NRW to 20% under the project	3	6
Key area 3: Urban Sanitation	3.2. Investment planning and delivery	New sewerage connections	0	200
Key area 4: Rural Water	2.4 Operational effectiveness	Selected service providers that achieve more than 80% in collection efficiency under the project	3	4
Key area 5: Rural Sanitation	3.1. Targeted planning and investment	Number of women provided with access to improved sanitation services	0	90,000
Key area 6: IWRM	2.3. Investment planning and delivery	Number of agreed catchment and source protection plans developed	5	10

Note: IWRM = integrated water resources management; NRW = nonrevenue water

TABLE C.9 VIETNAM

Business line	Outcome indicator	Proxy indicator	Baseline (July 2017)	Targets by 2022
Key area 1: Rural water	Policy/legal framework	A decree on O&M of rural water systems issued, regulating rural water services, has been adopted and is being implemented	0	1
Key area 2: Rural Water	Operational effectiveness	Number of households with access to sustainable water supply systems	0	105,000
Key area 3: Rural Water	Financial sustainability of service providers: sustainable revenue sources			
Key area 4: Rural Sanitation	Leveraged funding from service users (households, community groups, industrial, public administrations and other users)	Number of communes achieving commune-wide sanitation in the participating provinces	0	630 (TBC)
Key area 5: WRM	Policy, legal, and regulatory frameworks for sustainable water resource management	An action plan for implementation of strategic elements of national policies related to water security (i.e., water law and law on hydraulic works) is in place	0	1
Key area 7: WRM	Leveraged funding from private financial sector	Level of investment (\$) leveraged from the private sector for the construction and/or operations of bulk water supply production and/or distribution systems in up to six provinces in the Mekong Delta region	0	TBD
Key area 6: Urban Sanitation	Financial sustainability of service providers: sustainable revenue sources	Percentage of total operating cost of wastewater management in Ho Chi Minh City generated through revenue from service users	37%	50%

Note: TBC = to be confirmed; TBD = to be determined.



1818 H Street, NW
Washington, DC 20433
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