Annex 1g

Thematic Consultations on Service Delivery and Infrastructure

Guiding Questions

Challenges facing in India in the Water and Sanitation Sector? Anything missing?

Lack of coordination or no coordination between donors/agencies affects the reform initiatives developed through pilot and experimental programmes in India supported by the bank and the bilateral. For example, community participation, cost sharing, willingness to pay principles, community management etc. are become a joke in the sector supported by other funding agencies;

Contradiction in Government orders and legislations. These are not in consistent with the principles and spirits of 73rd and 74th constitutional amendment.

The agencies tend to forget what has happened until yesterday. Knowledge sharing and management is a great concern in several international agencies. As a result so much time is wasted for reinventing the wheel. (Please check whether any one has seen the report on the comparative study on the experience of World Bank, DANIDA, Netherlands and Government conducted in Karnataka State in 1997/1998 supported by WSP? This study has come out with strategic direction to the sector wide approach).

Similarly, competitions between agencies/donors have to be used for improving the efficiency and effectiveness of sectoral coordination and developing consistent policy advocacy effort at national and state level. This has affected the winding up of Swajaldhara water supply schemes and putting unwanted thrust to Nirmal purasksar schemes of Government of India by the donors.

Several areas and schemes are selected due to political lobbying and recommendations. Bank should keep away from such areas.

World Bank Supervision Missions: On a number of occasions bank mission members tend to shout out officials and NGO representatives. They tend to be carried away with their observations without looking in to the realities. They were mostly interested in finding fault and inconsistent in their opinions and decisions;

The issue of coverage, access and use is a major problem for the community, especially the poor and the vulnerable groups (both in rural and urban areas). For example the coverage of rural water supply in India was 98.8% some time back. Now it is reported that 42.2%. This type of information quite misleading. This is definitely a serious issue for the Bank supported projects also. The definition of coverage and access needs to be looked into simultaneously.
The community needs to wait for a prolonged period for getting water due to cumbersome tendering procedures and tender excess of many of the schemes and they tend to lose their interest. The 2-3 years delay experienced in setting up initial water supply implementation seriously affected the quality of community participation in majority of the externally supported project areas.

Although Water and Sanitation Committees were established and field level staffs (both technical and social) were in place, there was no organized forum to discuss the issues, challenges, and progress of various components. Communities have not been adequately informed about project developments, including financial aspects. As a result of lack of understanding by the community as to what is happening which has developed lack of interest and support and hence little “sense of ownership”, in some cases;

Criteria for selection of project areas: In many states the areas are selected for the project with existing water supply systems of other type of water sources. Several of the areas had existing schemes and they have been collecting water without paying any water tariff. Community residing in the non water deficit area is willing to contribute positively towards O & M. This has resulted into poor cost recovery and poor maintenance;

Equity in distribution of water supply: Since most of the schemes selected are augmentation/rehabilitation, due attention was not been able to be given on the assessment and rectification of existing systems. As a result the service condition was not satisfactory in all the places. This has affected the cost recovery in several villages;

Cost sharing principles: Too much focus to money and cost sharing mechanisms. As a result the contractors started buying politicians and people through the implementing agency;

Source sustainability: In several schemes the Water and sanitation Committees and the community reported that source has been dried up and adequate water was not able to supply to the community. This issue was brought to the attention of the concerned and the missions. This has seriously implications on community managed schemes;

**Governance and Corruption**

Technological mystification by the technical staff. They make even simple things complex so that the users and implementers will not understand and they can make money silently. They can find out some points to raise objection so that the contractor will pay speed money.

In many externally aided schemes over designs of over head tanks, treatment plants, laying pipelines without deciding the source are some classical example.

More than a decade and a half is over after introducing the democratization and empowerment of local governance, it is by now generally agreed that access to and quality of basic urban services has not improved in India’s cities. Worse, studies report that basic services have deteriorated in urban areas across the country. Even in the best situation, only 30% of sewage is treated before it finds its way into the water system.
More than half the urban population does not receive piped water. About the same number of urban residents is without adequate sanitation facilities (GOI, 2005, Overview, p.4). Such an issue have to be carefully reviewed by the bank for future urban projects.

The binding constraint on the performance in Urban Local Bodies (ULBs) is not that of lack of legitimacy arising from limitations in democratization and empowerment, including financial empowerment. We are consequently faced with other issues which might impede delivery of services. The enabling environment for effective ULB action, apart from legitimacy of role, is capacity to perform. Capacity is derived from the governance structure of ULB.

Street Lights: In some Urban Local bodies although the ULB owns the street lighting system, it depends on the state utility board for power distribution and system maintenance. The ULB’s lack of capacity and its total dependence on KSEB has resulted in street lighting service performing at unacceptable levels. Lack of capacity within the ULBs and low priority of the electricity board affects the public service distribution.

2. Opportunities to address these issues in the next 3-5 years

All programme/projects should have a governance component to promote twin objectives of accountability and responsiveness of policy concerning delivery of local public goods and services to citizens.

There is an urgent need to review and study the reasons for low coverage reporting and its implications to the poor community at large.
Water supply design parameters and coverage: The community should be given responsibility in deciding on the service level, technology options, supply hours etc. Similarly, the feasibility of dual water supply system should be looked into areas where alternate water sources are available. Cost implications have to be carefully reviewed and analysed. Make sure that adequate quantity of drinking water of 10 -15 liters should be made available through dual water supply schemes.

Improved guidelines and procedures for getting water and other public services for the community and the poor. This is for minimizing corruption.

6. As part of governance the transparency and accountability issues needs to be institutionalized for the effective and efficient way in implementing the projects. Similarly, it is necessary to identify major business processes in the administration based on informed assessment of the process potentially most vulnerable to corruption of each unit of the administration, including human resources, procurement etc.

7. Water Management should be included in the integral part of Water supply component. This is not the so called point recharge. WSCs should be primarily responsible for the identification and monitoring of agencies for implementing the watershed component.
8. Capacity governance: Skill creation among individuals needs to be integrated with the organizational and institutional changes necessary to put new skills to work effectively. Capacity is a function of the enabling environment that includes the organization and its staffing.

9. For discharging the horizontally expanded functions of ULB requires higher degrees of knowledge (eg. In many ULBs no one knows how to handle the Solid waste management, sanitary landfill, sewerage etc). For creating that and for achieving objectives and implementing the new mission ULBs need to have a strategy to address the issues in consistent with the programme priorities and people’s need;..

10. The fact that ULB organizational structures need to be redesigned for local governance reforms to succeed and for making a dent into the problem of service delivery seems not to have received attention. This perception comes out heavily in the context of the ambitiously funded JNURM, UIDSSMT, IHSDP etc.

11. There is an immediate need to conduct a desk review to identify underlying laws, regulations, guidelines, procedures and standards for each processes (human, resources, procurement, accounting etc; identify key steps of each business process including key stakeholders/decision makers/managerial responsibilities; Study the customer interface and key elements causing delays and bureaucracy in the contracting services/procurement; Assess strengths and vulnerabilities to corruption for each step based on weakness in the formal systems, develop options to mitigate these vulnerabilities.

12. The officials should be made responsible for delays and quality of construction. Similarly, they should be made to pay fines to compensate the loss to the community;

13. The coordination mechanism and knowledge sharing between the subject specialists working in the bank have to meet and discuss regularly to avoid lot of misconceptions in working in different states in India.

**Specific roles: Civil Society – Government, Private sector, International Cooperation**

As indicated in the various constitutional amendments and legislations Government should be involved in the facilitating and monitoring role
Civil Society should be given new mandates for taking up assignments in a turn key manner. The WB procedures should be altered or reworked applicable to Civil Society and NGOs. Only credible and capable CSOs should be utilized for such tasks.
Private sector should be encouraged to work in new initiatives and they should come with resources to supplement the efforts of the Government. Perhaps, Bank should develop partnership approach in developing tripartite projects/programmes with the concurrence of the government;

**Ways to improve flows of communication and information strategy**
Public affairs cell should be established in addressing the needs of the community. Such cells should have all information on various type of schemes, delivery mechanisms, who is doing what in the sectors etc.

2. As a necessary prerequisite clear roles and responsibilities of stakeholders developed through participatory process. This will leads to advocacy and implementation of the programmes. Water and sanitation committees and user committees are constituted with clear responsibilities. The officials should be made responsible for delays and quality of construction. Similarly, they should be made to pay fines to compensate the loss to the community.

3. Measures for technological demystification like simplification of formats, plans, estimates etc and we even developed a user friendly software for design and estimation of water supply schemes with which even trained common man can prepare plans and estimates.

4. Suitable forums should be established at various levels to review the progress and and suggest solutions to accelerate the process and procedures;

5. The projects should institutionalize an internal programme review for every three months. The objective of the internal review would be ‘to monitor the progress of programme implementation at all levels. Along with this, information should be gathered and build up database for various programme indicators compare them with the stated programme objective and concepts and take corrective measures wherever necessary. The process monitoring documentation should be given special importance during the internal review. The outcome of the internal review should be used for preparing the half yearly, annual and mid term evaluations.

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