

GUIDANCE FOR DEVELOPING A DISTRICT WASH PLAN

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1. INTRODUCTION

The Government of Rwanda (GoR) has set itself ambitious targets for achieving universal access to basic water supply and sanitation by 2020 and providing safely managed services by 2030, in alignment with the SDG 6 targets.

In order to achieve these, the country has committed to adopting the “District-Wide Approach” (DWA), characterised by a systems approach to WASH, which combines considering the district as the entry point, whilst recognising the broader national enabling environment.

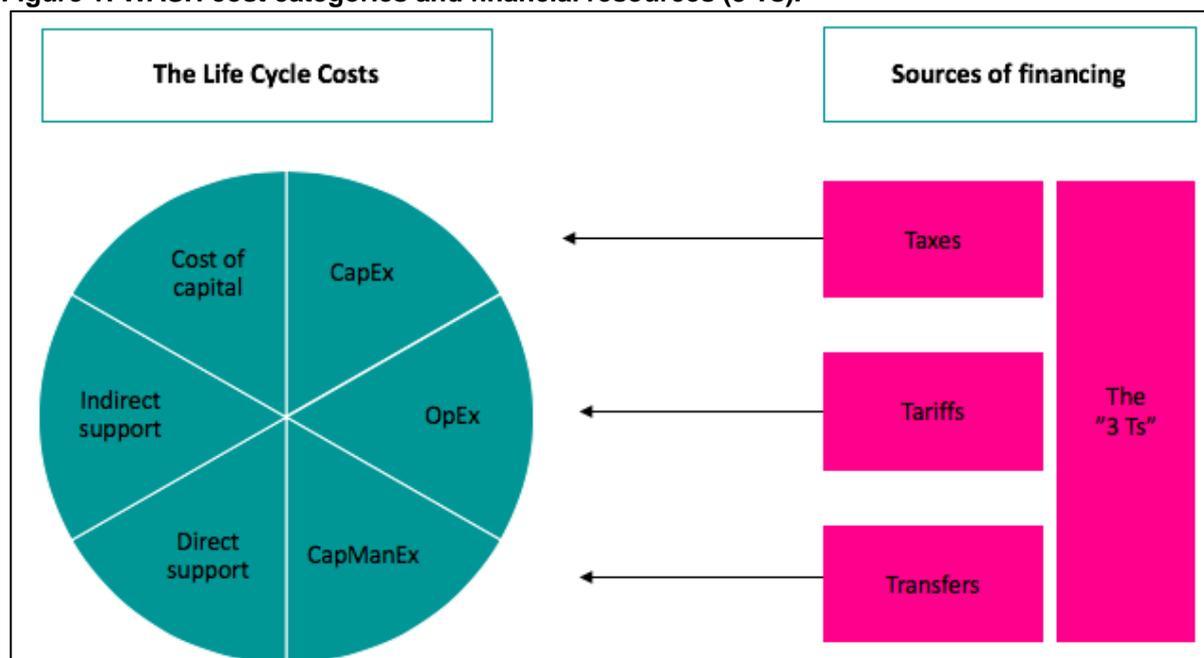
At district level, this translates into the adoption of a holistic approach to strengthen the district in all its core functions, including planning for universal and sustainable service via the development of a WASH plan, which consolidates the districts’ vision and approach to achieving scale.

This guidance note describes the key steps of the process of developing a WASH investment plan, as well as the output. It is designed for district managers (executive committee and district council) and the technical team (e.g. planning, WASH), as well as partners supporting districts in Rwanda.

2. DEFINING A DISTRICT- WASH PLAN

A WASH plan is the process of matching an objective with financial resources, with the consideration of all types of expenditures and financial resources (the 3Ts). This means the plan does not only include capital costs, but also recurrent and direct support costs (see figure 1).

Figure 1: WASH cost categories and financial resources (3 Ts).



Other characteristics of a WASH investment plan include the following:

- **A broad scope** for all types of WASH services (water, sanitation and hygiene), considering both domestic services as well as services in public institutions (schools and health care facilities). However, it can be progressively adjusted as more information becomes available. The present guidance focuses on water services only, but parallel activities are ongoing to adapt existing tools to sanitation and hygiene as well as services in institutions.
- **The management of different timescales** (short, medium, long): It provides a long-term horizon (i.e. 10 years), and derives medium term targets and short-term activities (1 to 3 years) from it. The level of detail provided is high for the first years of the plan and decreases over time.
- **An iterative process**: although the steps are presented in a linear manner for simplicity-sake, the nature of the process is iterative and involves revisiting the vision, targets and approaches based on the assessment of current service provision, costs and available financial resources.
- **A trade-off between strategic vision and detailed analysis**: the process should seek to articulate the district's broad vision to achieve universal and sustainable services as well as the steps required to achieve it in terms of construction, maintenance or support activities and financing. At each step of the process, a balance will be sought to ensure the analysis/calculation enables the formulation of a broad vision, whilst also providing timely data to calculate ballpark cost estimates required for a long-term plan. Trade-offs between carrying out detailed engineering designs (more accurate, but also more time consuming and costly) vs. estimates (less accurate but quicker and cheaper to develop) will be considered throughout the process.
- **Consideration of services under the district's remit**: in some districts, all or some services are managed by WASAC (e.g. most of the districts in the Eastern Province). In these cases, although districts might step in to finance major maintenance, the responsibility for minor and major maintenance rests with WASAC. For that reason, these services are not considered in the process described below.

2.1 A PROCESS AND AN OUTPUT

Developing a full life cycle costing WASH plan is a process, resulting in an overarching output- the plan itself (see figure 2), both of which support district-decision making through three channels:

- **Technical**: the plan is developed on the basis of evidence generated through data collection activities and technical studies.
- **Strategic**: the plan articulates a vision supported by district-level decision makers, which includes a long-term horizon, as well as medium-term targets.
- **Engagement** should be sought at each step of the process. At community, service provider and district levels, to understand WASH needs and demands, and ensure understanding, ownership and usefulness of the output.

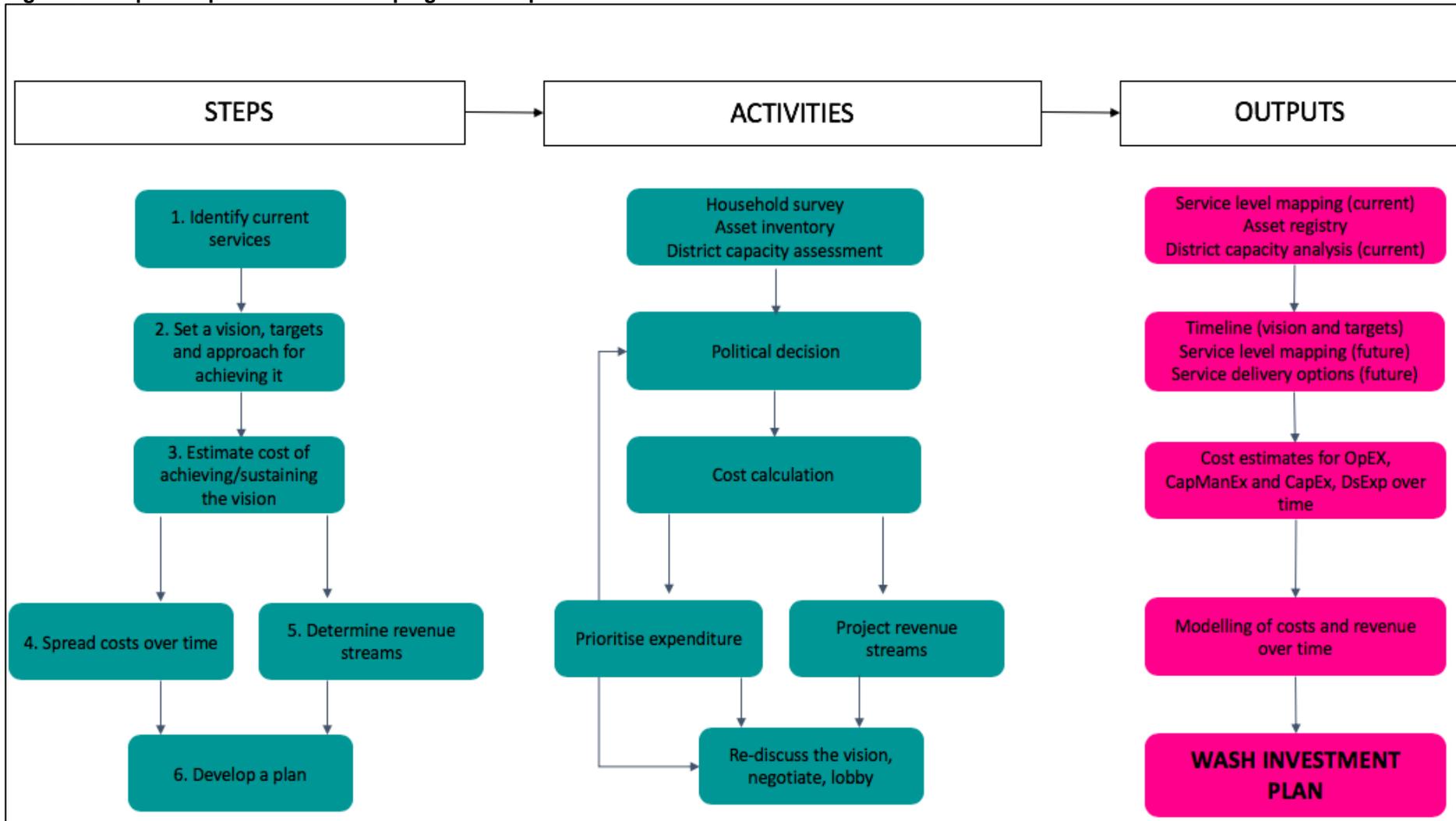
2.2 THE LINK WITH EXISTING PLANNING PROCESSES

The development of a WASH investment plan should be understood in the broader planning context of Rwanda and support existing district-level processes:

- At national level:
 - Vision 2020/2050 presents the country's overarching vision, cascaded into 7-year government programmes. These documents provide the development framework for the country and form the basis for national and district-level planning.
 - These inform the development of national Sector Strategic Plans (SSPs), which provide strategic orientations for each sector, including WASH, health, and education.
- At District level, these frameworks are translated into:
 - 3- year District Development Strategies (DDSs), which articulate the district's vision across sectors. WASH is included in the DDS, but currently only consists in a short paragraph.
 - Annual plans and budgets, annual performance contracts, or *Imihigo*, for each fiscal year (i.e. from July to June), detailing activities/funding arrangements to implement the DDS.

It is foreseen that the WASH investment plan would be derived from the national Strategy for Transformation (NST) and feed into the DDS to support its 5-yearly update.

Figure 2: Scope and process for developing a WASH plan



3. A STEP-BY STEP PROCESS

3.1 STEP 1: ASSESS THE CURRENT SITUATION

The assessment phase consists in a data gathering and analysis exercise, aiming at establishing rigorous evidence of i) existing infrastructure assets, ii) existing service levels iii) district and service providers' capacities, to serve as a basis for developing a district-level vision.

This phase results in the development of the following outputs:

- A district-wide assessment presenting the current levels of service at district level, against a standard service ladder, defined on the basis of JMP standards as well as national standards. Service levels categories used should be no service, unimproved, basic, safely managed, according to national standards;
- An asset registry, providing details on existing water asset components, in terms of age, condition and level of priority for maintenance activities;
- An assessment of districts and service providers' capacities and current gaps.

The supporting tools either approved by the GoR or available through DWA partners are presented in table 1 below.

Table 1: Overview of outputs and tools for step 1

Output	Supporting tool	Content	Status and next steps	Guidance
Asset registry	Data collection questionnaire and Excel-based template for asset registry for piped schemes.	Questionnaire to carry out the asset inventory and collect data on water asset components, including age, condition and activities required for maintenance. Excel-based template for the asset registry.	Approved Modifications required for data entry to be at water system level rather water point. Contextualisation required for water points	Asset analysis guidance for assessing piped-based water systems (source: WfP).
Service level assessments	Household survey questionnaire	Household level questionnaire for determining the service level.	Ensure service levels are aligned to national norms and standards.	Asset analysis guidance for assessing piped-based water systems (source: WfP).
Capacity assessment	District capacity assessment tool (Excel based template)	Document, which supports the assessment of existing district skills against core functions; municipal WASH budget and maps # days spent against key activities.	Approved	Guidance manual to be developed (WfP)

	Service provider capacity assessment (i.e. private operator or community)	Document which supported the assessment of service provider capacities (skills, human resources).	Not available	Not available
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3.2 STEP 2: SET THE VISION, TARGETS AND MILESTONES

The second and most important step is to set the vision and a strategy to achieve it. This includes setting i) a medium term horizon (i.e. achieving universal and sustainable access), as well as ii) describing the approach for achieving it, in terms of the level of service to be provided and mix of technologies; the type and levels of service; and the approach to strengthening capacities along the way), and iii) identifying annual milestones.

It is important to note that the vision and milestones should not be limited to achieving universal coverage, but also translate and approach to achieve sustainable services through district-level system strengthening (i.e. capacity support, service management models, appropriate maintenance and spare parts supply, sustainable financing mechanisms etc.). These should be derived from the high-level national targets (i.e. target 2: “*Ensure sustainable functionality of rural water supply infrastructure by strengthening O&M management arrangements*“, but provide more detailed information on the elements required to achieve it, within a specific district.

This phase results in the development of the following outputs:

- A detailed vision of what the district intends to achieve and through what channels: a long-term vision with a fixed time horizon (i.e. 10 years) for achieving universal and sustainable services, as well as an approach for doing so (i.e. clustering of services, management models) and a description of what this entails (i.e. proposed service levels and technology mix).
- Corresponding short and medium-term milestones to achieve this vision, for the provision of both universal and sustainable services.

The WASH sector in Rwanda has not yet defined precise targets at national level related to sustainable service delivery, nor has it articulated a clear approach for adapting national targets at the district level. The process initiated under the DWA would serve as a pilot and it is proposed that this step is carried out as an informed discussion with district-level technicians and decision makers, using evidence gathered during step 1 as a basis.

3.3 STEP 3: ESTIMATE THE COSTS OF ACHIEVING THE VISION

The third step consists in calculating the cost of achieving the vision. This includes identifying the costs of providing new services (Capital Expenditure or CapEx) as well as those required to maintain existing services (operation, maintenance- OpEx as well as support activities- DsExp). Some of these activities (i.e. calculating OpEx) can also be carried out as part of Step 1, but are grouped here for logic.

The outputs and processes followed in this step are as follows:

- Overview of costs required to maintain existing services (OpEx, CapManEx); which consists in calculating actual costs (for OpEx) and ideal costs (for OpEx and CapManEx, costs required to repair and replace components appropriately). The calculations are done separately before being brought together.
- Overview of costs required to provide new services (CapEx). A combination of two approaches are used to do so: i) the calculation of unit costs based on existing detailed engineering designs, to estimate CapEx followed by ii) detailed engineering designs at district level.
- Overview of costs required to support service delivery (DsExp): using the initial capacity assessments, identify the current cost of supporting service delivery through a set of activities (e.g. monitoring visits to communities, training of service providers) and estimate ideal costs for achieving the vision and milestones.
- Consolidated costs over time: this consists in i) bringing all costs together, ii) applying additional parameters like inflation, HH size etc. to adjust the overall costs and iii) spreading costs overtime to provide an overview of total costs of achieving the vision. It should be noted that whilst some costs will be “naturally” spread over time (i.e. asset replacement based on age will be dependent on the remaining useful life of the asset), others will require prioritisation. The prioritisation process will be district-specific, but should be articulated clearly (i.e. areas with no service, population size, or other).

The supporting tools available through DWA partners are presented in table 2.

Table 2: Overview of outputs and tools for step 3

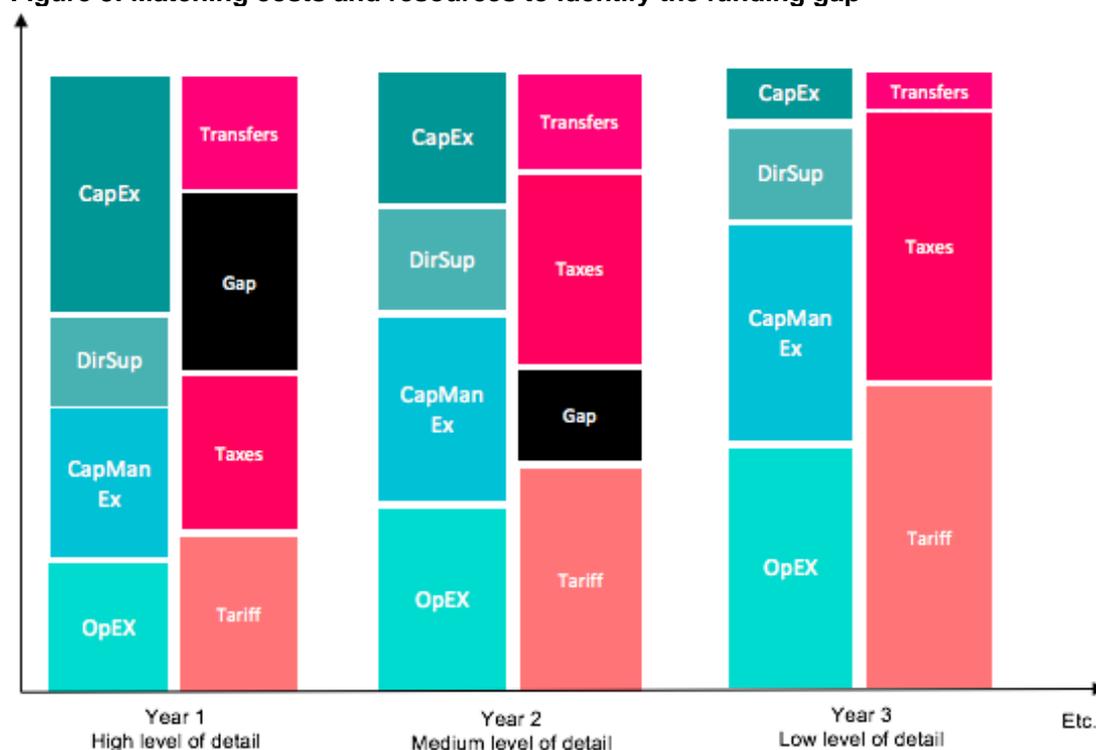
Output	Supporting tool	Content	Status/next steps	Guidance
Costs of maintaining existing services	For OpEX: Current: AtWhatCost	The tool supports the identification of current costs of maintaining services and projects profitability of a given system/service provider. The level of analysis is the water system.	Modify the tool to be applicable at service provider level rather than system level.	Guidance note to be developed (WfP or IRC?)
	Ideal OpEx: none	Derive a per capita % cost corresponding to ideal OpEx	Use data from Rulindo to identify a per capita % cost. WfP/WaterAid to follow up	
	For CapManEx: CapManEx calculator included in the asset registry	The tool uses the asset inventory to i) identify systems requiring major repairs based on asset age and condition; ii) match those repairs with costs, using pre-identified unit costs per asset component and condition, iii) spread costs over time (based on age and condition separately first, then aggregated over a 10-year time span).	Not approved	Guidance note being finalised (WfP)
Cost of providing new services	For CapEx: Step 1: calculate unit costs for estimating district-wide CapEx	Derive unit costs from existing detailed engineering designs available in the district	Identify WASAC's unit costs Calculate unit costs based on WfP's available engineering designs in Gicumbi	
	Step 2: carry out detailed engineering designs at district-level	Carry out detailed engineering designs in each district		
Cost of supporting service delivery	Not available	Not available	Need to adjust the district capacity assessment tool to calculate the ideal costs.	NA
Consolidated costs	Consolidated costing tool	Provides an example Excel-sheet bringing all costs of providing services at district-level to identify the financial resources required to cover the costs.	Not approved Needs modification/adaptation to Rwandan context	TBC

3.4 STEP 4: IDENTIFYING SOURCES OF FUNDING

Once all costs of achieving the vision are identified, financial resources available are projected over a 10-year period to i) identify the funding gap, ii) use this analysis as a basis to lobby government and donors for additional resources and iii) potentially revisit the vision and milestones if deemed inadequate/unrealistic from a financial perspective.

This step results in an overview of financial resources over time and an understanding of the funding gap (see figure 3):

Figure 3: Matching costs and resources to identify the funding gap



The process to complete this step is as follows:

- Estimate 3Ts (taxes, tariffs and transfers) overtime, articulating the assumptions used in the calculation (e.g. tariff rate, number of users, collection level). Information on tariffs should originate from service providers; information on taxes from district budgets and information on transfers from MINECOFIN.
- Present the financial resources against the overall costs (identified during step 3) to identify the funding gap;
- Source additional funding, by i) re-visit the assumptions leading to the estimation of each source of funding and ii) lobbying for additional funding;
- Revisit the vision and targets if the funding gap remains and revise prioritisation of expenditure if required.

The process of prioritising expenditure should be articulated within each district and consider multiple criteria including the following:

- Prioritising CapEx: new services could be prioritised in non-served areas;
- Prioritising CapEx vs. CapManEx: districts should be aware that investing in major repairs is usually more efficient than only investing in new systems, as systems collapsing as a result of poor maintenance would require larger investments.
- Matching expenditure and finance: tariffs should in first instance be used to cover OpEx and contribute in part to CapManEx; transfers are usually more easily mobilised towards CapEx and taxes can be used primarily for direct support and CapManEx.

The supporting tools available through DWA partners are presented in table 3:

Table 3: Overview of outputs and tools for step 4

Output	Supporting tool	Content	Status/next steps
Estimate financial resources	Not available	Excel-spreadsheet projecting financial resources originating from taxes, tariffs and transfers (and assumptions)	Will be developed in the coming months.
Present the financial resources against the overall costs	Not available	Municipal balance sheet bringing all costs and financial resources together to identify the funding gap.	Will be developed in the coming months.
Source additional funding	NA		
Revisit the vision and targets	NA		

4. RISKS AND MITIGATION MEASURES

A number of risks might affect the district's ability to implement a district- WASH plan have been identified as follows, with associated mitigation measures:

Nb.	Potential risk	Mitigation measure
1	Low level of technical capacity of district officers	Support from external parties (NGOs or WASAC) for the first iteration of the plan.
2	Low level of citizen participation in the process, which might limit the ownership of the resulting plan	Ensure consultation is built-in from the onset.
3	Planned and forecasted figures are not accurate	Encourage the development of various scenarios and the monitoring of expenditure against plan to allow for adjustment.
4	Unforeseen events (climate-related or other), affect the implementation of the plan	Enable some flexibility in the prioritisation of expenditure, to account for unforeseen events.

5. AN OUTPUT: TABLE OF CONTENT OF THE DISTRICT WASH PLAN

The WASH plan articulates the result of each step in a synthetic manner (approximately 35 pages) in a paper-based document, spanning over a 10-year period and revisited on a 3-year basis. A proposed table of content is provided below:

5.1 PRESENTATION OF THE DISTRICT

This section should highlight the key defining features of the district in terms of its demographics, socio-economic and environmental aspects (5 pages).

Overview (location, size)

- 1.1 Demographics (population size, age and trends)
- 1.2 Socio-economic (main economic drivers and trends)
- 1.3 Water resources and environmental issues (characteristics, challenges)
- 1.4 Overview of District planning processes (current plans, status, timeframe)

5.2 CURRENT SITUATION OF WASH SERVICES

This section should provide an overview of the i) service levels, ii) asset conditions, ii) capacities and gaps and should be as visual as possible and include maps (10 pages).

- 2.1 Coverage levels (Overall and across the district, highlighting areas without any service)
- 2.2 Service levels (Definition of each service level, map of service levels across the district, summary of key highlights)
- 2.3 Findings from the asset inventory (Asset status, main issues)
- 2.4 Findings from the capacity assessment of the district and the service providers, flagging the key areas of strength and weaknesses.

5.3 VISION AND TARGETS

This section presents the vision, milestones and approach developed by the district to achieve the vision (both universal and sustainable services) (5 pages).

- 3.1 Vision and time horizon (long-term vision for the district in terms of achieving universal and sustainable services)
- 3.2 District's proposed approach for achieving it, in terms of service levels, technology types, support requirements
- 3.3 Targets and milestones for achieving the vision

The above should be supported by geographical representation with maps.

5.4 COSTING AND FINANCING THE VISION

This section outlines the costs required to achieve the vision, the estimated financial resources available and assumptions made for the calculations and presents the district's approach to mobilising additional funding to bridge the funding gap. (8 pages)

4.1 Costing the vision

- CapEx
- OpEx and CapManEx
- Direct Support

4.2 Available financial resources (for taxes, tariffs and transfers, including assumptions)

4.3 Consolidating costs and revenue (including funding gap)

4.4 Approach to bridging the gap (revisiting assumptions over time or mobilising additional taxes and/or transfers).

5.5 IMPLEMENTING THE DISTRICT WASH PLAN

This section presents the sequencing in the implementation of the plan. (5 pages)

5.1 Short- term activities (rationale for selection, approach to implementation, strategy for resource mobilisation)

5.2 Medium-term activities (rationale for selection, approach to implementation, strategy for resource mobilisation)

5.6 MONITORING THE IMPLEMENTATION

This section presents the modalities for monitoring the implementation of the plan (6 pages)

6.1 Monitoring framework (indicators, definitions)

6.2 Approach to monitoring (roles and responsibilities, cost, resources)

Annex: Detailed engineering studies if applicable (i.e. if the approach to calculating CapEx is based on the use of detailed engineering designs) monitoring indicators; assessment reports.