

# **FINANCING ACCESS TO WATER AND SANITATION FOR ALL THE PLACE OF SOLIDARITY FINANCING MECHANISMS**

Final Report

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## **Authors**

**Sarah Mackenzie**

**Pierre-Marie Grondin**



Programme Solidarité Eau  
32 rue le Peletier  
75009 Paris

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# 1 Introduction

With the Millennium Development Goals, the international community has undertaken to halve the number of people without access to a safe water supply and basic sanitation by 2015. The goal is an ambitious one, and to make any significant progress towards it, it has been acknowledged that considerable financial resources must be found and properly utilised.

In particular, two specific needs can be identified. Firstly, there is a need to increase the funding reaching local levels, for it is at local level that the specific needs and situation of the local population can best be understood and addressed. Secondly, there is a need to build local capacities in order to ensure good water resource management<sup>1</sup>.

Financing mechanisms that are based on the showing of solidarity between peoples contribute to meeting both these needs. Over the past several years, stakeholders in water and sanitation actions financed totally or in part by the solidarity shown between water users in the North and those in the South have been exchanging ideas and experiences on their actions<sup>2</sup>. The result of these exchanges was the decision to create a global platform for sharing experiences and communicating on solidarity financing mechanisms to help extend and strengthen them. The initiative was officially launched at the 4<sup>th</sup> World Water Forum in Mexico City in March 2006 by Angel Gurría, Secretary General of the OECD.

This report looks at what solidarity financing mechanisms are, where their advantages lie and how we could step up such practices to improve access to water supply and sanitation in the poorest regions of the world. The report draws on the responses to a recent survey amongst those benefiting from such mechanisms, and on the outcomes of a special session held at the Africities summit in Nairobi, September 2006.

## 2 Solidarity Financing Mechanisms – An Overview

### 2.1 What are they?

We use the term "solidarity" in the sense of creating change through the common appreciation of the importance of access to water and sanitation. Inequality of access to water and sanitation around the world is unjust, and the examples of financing mechanisms we are concerned with here are driven by people who wish to redress this imbalance. They may choose to do so by contributing financially to an NGO such as WaterAid in the UK that works with local populations in developing countries to implement water and sanitation projects. Or it may be action by an entire community in the form of a twinning relationship between two towns for instance, whereby the town in the North finances water and sanitation projects in its twin town in the South, either directly or through NGOs.

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<sup>1</sup> See for instance the report from the Camdessus Panel, *Financing Water for All, and the first report of the Task Force on Financing Water for All Enhancing Access to Finance for Local Government*

<sup>2</sup> Sessions at WSSD in Johannesburg, 2002, and the 3rd World Water Forum in Kyoto, meeting at the UNESCO in Paris 2005 and London 2006.

Several countries have developed solidarity initiatives<sup>3</sup> that harness the energy, commitment and financial support of water users, water and sanitation organisations and their staff, local authorities, and that these initiatives have evolved according to the local social and political context of the country concerned. For instance:

- Initiatives led by associations and NGOs: WaterAid (United Kingdom, Australia and USA), WaterCan (Canada), Water for People (USA et Canada), Oxfam Water for Survival (New Zealand), Eau Vive, pS-Eau (France),
- Decentralised co-operation actions led by local authorities in the North who build a relationship with a local authority in the South and support water and sanitation provision projects for their partner: SIVOA (France)-Ouallam (Niger), St-Herblain (France)-N'Diaganiao (Senegal),
- NGOs financed by water authorities such as the SEDIF or the AESN (France);
- Initiatives involving water professionals, who donate their time and expertise to support projects: Aquassistance, Waterforce (France), Aqua4All (Netherlands)
- Solidarity can also be shown between people within the same country, between wealthier areas and poorer areas for instance, or through solidarity funds that can be called upon in time of need.

*For over 20 years, the SEDIF (Syndicat des Eaux d'Ile de France), a public authority responsible for providing water to 144 local authorities, has been carrying out effective decentralised co-operation actions aimed at improving access to safe water. The money to fund these actions is taken from the authority's own revenues. The equivalent of 0.3 Euro cents per m<sup>3</sup> consumed is contributed, amounting to 700 000 Euros per year. Every 5 years, almost 70 operations are financed in this manner, benefiting around 650 000 people.*

*In the United Kingdom, WaterAid makes use of the sending out of water bills to communicate with 23 million British households. At the same time, WaterAid organises wide public campaigns to recruit new donors. The NGO has developed clear communication tools to keep their donors informed of how the money is being used, such as a bi-annual magazine, a bi-monthly e-newsletter and articles in water company internal magazines, and the local press. Finally, donors with a project link receive three specific project reports (initial, interim and final) from the country programme*

These initiatives help to raise awareness regarding water and sanitation issues in the North, bringing them to the attention of the general public and raising their profile in National policy agendas. They can also create leverage, attracting further financing from Official Development Assistance or multi-lateral donors.

In the South, the particular characteristics of these forms of financing offer certain benefits and advantages. In a bid to better understand these mechanisms and their impact, questionnaires were sent to local stakeholders in Africa, Asia, Latin America and EECCA countries. Out of 58 responses to the questionnaire, 40 were aware of solidarity financing mechanisms and gave feedback on their advantages and areas for improvement. 78% of these respondents were in Africa, 5% in Asia, 15% Latin America and 2% in the Eastern Europe-Caucasus-Central Asia region. The majority were local structures, 50% being local organisations (NGOs, associations) and 28% local authorities.

The results of this survey were presented during a special session at the 4<sup>th</sup> Summit of African local authorities, Africities, in Nairobi in September 2006. This report also takes into account the comments and recommendations arising from the debates

<sup>3</sup> pS-Eau, Eau Vive 2005, *Solidarity and Decentralised Forms of Financing Access to Water and Sanitation for All*

held during this session with the representatives of African local authorities and associations present.

## **2.2 How do they begin?**

It is clear that there is no standard way of entering into a relationship that involves some form of solidarity financing and there is strong element of chance involved. The following were cited by respondents as leading them to benefit from such financing:

- Meeting the appropriate contacts at an event
- Making contact through an NGO
- Through existing relationships
- Through decentralised co-operation relationships (twinning with towns in the North)
- Through seeking out contacts via specialised reviews and funding sources
- Via others who are in such relationships

These examples are characterised by their random nature and by the importance of human relations. It is often a matter of being in the right place at the right time or knowing someone who can put you in contact with the right people. It should also be noted that many cases of twinning or cooperation between two towns have arisen and are maintained thanks to a personal relationship between individuals.

In order to put chance on their side, many actively seek out such relationships, making contact with organisations or people they have seen in articles or who are involved in such actions nearby.

The answers to this question point towards a need to make access to such financing mechanisms less dependent on "luck".

## **2.3 The type of project**

The projects are predominantly modest in scale and budget. The majority concern simple structures that enable basic access to water and sanitation, such as boreholes, wells, tap stands and latrines. Most budget figures fell within the 10 000 to 100 000 euro range.

It is worth noting that while these are modest figures in terms of overall budget needed to reach the MDGs, they have an important role to play for two reasons. Firstly, they fill a gap. The world panel on financing water infrastructure suggest in their report of 2003 that "*there is a project size (\$10 000 to \$100 000) too small for the corporate sector and too large for aid or micro loans*" (Winpenny, 2003 p. 12).

Secondly, they can have a leverage effect, attracting additional financing thanks to the motivation shown, and interesting larger donors for scaling up when a small-scale project has proven its viability<sup>4</sup>.

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<sup>4</sup> For instance, WaterAid attracts considerable financing from DfID to supplement funds raised by users and water companies.

## **2.4 Implementation characteristics**

### **2.4.1 Participation**

91% of questionnaire respondents stated that the local populations participated in the projects benefiting from solidarity financing mechanisms. Responses cited participation in needs identification, project design, project implementation, in the creation of representative and management structures, financial contributions and payment of services.

Most answers concerned participation in project implementation, be it in kind through contributing labour or local materials, or a financial contribution (22 out of 31 answers). Several also mention participation in needs identification, however, few clearly state that local populations were actively involved in project design and decision making.

The importance of involving the local populations was highlighted during the special session at Africities, by Malal Touré, of ENDA Eau Populaire, Senegal, who also pointed out that while the populations may be very poor, there is always something that they can contribute, no matter how small, thus guaranteeing the sustainability of actions.

### **2.4.2 Sustainability**

Tying in with the previous question, sustainability is overwhelmingly guaranteed by the involvement and appropriation of the project by the local population through their contribution in carrying it out and in subsequently managing the service. There is usually a strong element of capacity building and formation of local management structures so that services can be guaranteed in the long term. Payment of services is also cited as a means of ensuring on-going sustainability.

### **2.4.3 National context**

63% of the respondents stated that their projects tied in with a larger regional or national programme. Sometimes it was in the general context of the poverty reduction strategies or MDG strategies. However, local stakeholders are also beginning to fit their projects into district development plans, which in turn fit in with national programmes and policy.

Bearing in mind that solidarity financing mechanisms often involve modest sums and that they are intended to supplement existing and larger-scale mechanisms, it would appear essential that they be in line with the wider policy to ensure their overall efficiency and effectiveness.

*These mechanisms must benefit the poorest populations, where the most urgent needs lie. To do this, the financial partners must have a clear understanding of the situation in the area where they wish to help, and have a wide vision of water and sanitation issues on a national level before offering any support.*

*Entente Bamba-Thialène, Sénégal*

Indeed, the Task Force on Financing Water for All chaired by Angel Gurría emphasises that public budget through user and tax-payer participation will remain the major source of infrastructure funding<sup>5</sup>.

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<sup>5</sup> World Water Council, Global Water Partnership, *Task Force on Financing Water for All, Report 1, Enhancing Financing for Local Governments, Financing Water for Agriculture*, pg 5

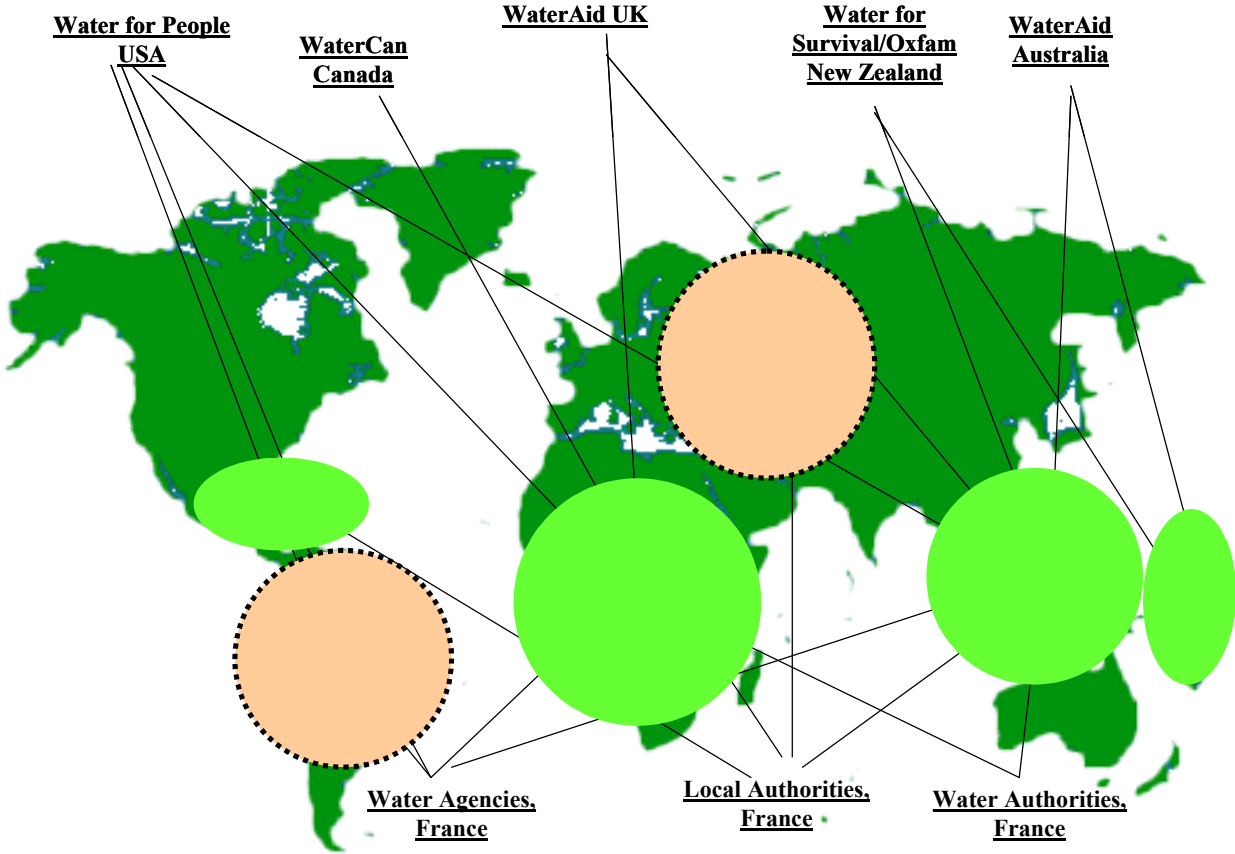
Like ODA, solidarity financing mechanisms are not replacements for public budgets. They can complement and reinforce a national strategy by building user participation and local accountability.

### 2.5 The Targets

Solidarity financing mechanisms go where other financing mechanisms do not reach. They target those areas of the globe most severely lacking in access to safe water and sanitation. Within these zones they reach the poorest populations, by definition usually those living in rural areas or slums on the peripheries of urban areas. And finally, they go to those who are the best placed to understand the needs of the population and provide appropriate water and sanitation services: the local stakeholders, often the local government or authority.

#### 2.5.1 Geographical zones

The main areas of intervention by Northern solidarity financing partners show a predominance of activities in the regions of Asia, Africa, the Caribbean and the Pacific.



The apparent lack of focus on Latin America was confirmed by a significant number of expressions of interest raised by the respondents from that region, who asked for access to more information and would like to benefit such funding mechanisms. Indeed, a recent report by Oxfam and WaterAid points out that this region is frequently overlooked as "many countries in Latin America slip under the MDG radar

because their aggregate development data compare well with other regions. However, this masks deeply engrained inequalities within countries".<sup>6</sup>

In terms of water and sanitation coverage, the needs are also great in countries of the Eastern European, Caucasus and Central Asian region. They also could benefit from the extension of solidarity financing mechanisms.

*The fact that there are also huge needs in the rural sector in Latin America should be taken into account and that we have very little external support.*

*AQUACOL, Colombia*

## 2.5.2 Populations

In demographic terms, responses to the questionnaire show that projects involving solidarity financing mechanisms can target urban, peri-urban and rural areas. However the vast majority are in rural and/or peri-urban areas (90%), 67% claimed to specifically target rural areas, thus targeting those areas where water and sanitation coverage is lowest. Respondents clearly identified the poorest populations as the direct beneficiaries of such actions.

## 2.5.3 Local Authorities

Targeting funding directly at local authorities gives them access to financing that they do not receive through bilateral and multi-lateral programmes which tend to target national governments.

The nature of these collaborations involving direct contact and close local involvement of all partners means that the local authorities are able to build up their capacities and responsibilities both in terms of project and budget management and in terms of managing public services.

# 3 The effectiveness of solidarity financing mechanisms

## 3.1 Meeting the needs

The overwhelming need expressed was that of better access to water, and the associated lifestyle improvements in terms of reduction of water-related diseases and reducing the burden of women and children.

The need to build the capacities of local structures (NGOs and local authorities) was also identified.

While the open-ended nature of the question did not call for in-depth or specific answers, the need expressed is imprecise. It has been suggested that local stakeholders need to be able to better formulate their needs, in order to help ensure that the support offered is pertinent and appropriate.

In terms of specific project aims, the outcomes of actions included:

- Heightened awareness as to the importance of water and sanitation
- Installations for water supply and sanitation (pumps, wells, latrines etc.)

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<sup>6</sup> Oxfam, WaterAid, *In the Public Interest*, p. 53

- Training and capacity building
- Formation of service management structures
- Implementation of effective services

While no respondents felt that their needs had not been met, many expressed a need for more.

### **3.2 Key advantages**

The particular characteristics of solidarity financing mechanisms and the way they function are seen to offer key advantages over other forms of financing. The responses to the questionnaire confirm the viability of these mechanisms, suggesting that they have a particular role to play in providing access to water and sanitation and thus should be promoted and extended.

#### **3.2.1 Direct**

Thanks to the decentralised nature of relations, solidarity financing mechanisms target funds locally, providing resources directly to the local authorities or organisations who understand local needs. This helps them to retain a certain level of independence over how funds are used, as against larger donors who often impose conditions. This direct relationship also cuts down on bureaucratic processes and red-tape, making access to funds simpler and faster.

#### **3.2.2 Flexible**

Furthermore, since those providing the financing and those receiving it are in direct contact, they are able to adapt to changes in the situation. Many respondents noted that through dialogue and consultation amongst partners they had been able to make adjustments to projects in line with changing needs.

*This financing mechanism is flexible and the donors are closer to the actions in the field – which makes it possible to readjust things rapidly if problems arise.*

*ERA, Cameroon*

The main reason given for failure to adapt to changing needs was a lack of this type of funds.

#### **3.2.3 Sustainable**

Many respondents felt that the special ties were built up between partners in the North and South. This was seen to contribute to the sustainability of actions because the partnership is not based on a specific finite project, but on an on-going relationship that can evolve over time.

*Collaborating for three years with the same village was not our intention at the beginning. But it turned out that way as we adapted to the pace of the villagers, as they came to understand and as water management committees were created.*

*NGAM, Une Passerelle Vers Le Sud, France*

The high level of local participation and capacity building was also seen to enhance the sustainability of actions.

### 3.2.4 Emphasis on local participation, involvement and commitment

Finally, the way that projects are implemented is seen as key to their success, that is to say the way local populations are encouraged to appropriate the projects, contribute to their implementation and subsequently manage the services.

This holistic approach is seen not only to contribute to the success of water and sanitation projects specifically, but to overall development of the community. The skills learned and capacities built contribute to the decentralisation processes

*Solidarity financing mechanisms are effective because they create or reinforce sustainable links between countries in the North and countries in the South, they reinforce the decentralisation process and enable the beneficiary populations to fully participate in the projects, enabling them to embark on a process of sustainable changes in mentalities and lifestyle.*

*Mairie de Grand Popo, Benin*

underway in many countries, they can be applied to projects in other fields and they contribute to the general social organisation and cohesion within the population concerned and the wider community.

### 3.3 Problems with solidarity financing mechanisms

#### 3.3.1 Not enough

The main problem expressed by the questionnaire respondents was the shortage of this type of funding. While solidarity financing mechanisms offer direct and flexible funding sources and create lasting relationships, the demand far exceeds the supply. This was reflected in their answers, which while acknowledging the accomplishments, expressed a need for more.

*The flexibility of solidarity financing mechanisms, and the long-term nature of the partnerships is an advantage for building the capacities of organisations in the South. But the amounts involved are often modest and do not meet the populations expectations. Which often leads to misunderstandings and stalls projects.*

*ERA, Cameroon*

#### 3.3.2 Unpredictable and random

A concern that did not come through in the survey but that was strongly debated during the special session in Nairobi was with the way solidarity financing relationships began and carried out.

The Mayor of Torodi, Niger, Mr Amadou Ly Belko, expressed concern at the random way relationships could spring up with individuals in the community, without consultation of the Mayor, the danger being the creation of a social imbalance within the community. This was echoed by the President of the Union of Communes, Togo, Mr. Lodé Aouissi who warned against the striking up of close relationships by NGOs with certain people, creating problems with society's established structures (the village, the area, the family etc.). While the importance of enabling all members of society to be able to participate and even initiate projects was recognised, this needs to be within a well-defined and agreed framework.

Another problem with the reliance on individual personalities and relationships was highlighted by Emmanuel Ngnikam of ERA Cameroon. His experience has shown that such dependence on individuals can have disastrous consequences when key

people leave. It is important to set up a mechanism that can withstand changes in people.

In the same vein, in working with local representatives, electoral calendars can have a strong effect on project timetables and priorities, and if this is not taken into account in the planning process, the whole project can fail.

### 3.3.3 A difficult context

The difficult context was also cited frequently as a major problem in implementing projects. Sometimes obtaining community participation and contribution either financially or in kind to project implementation involved a change in mentalities that was not easy to effect. Education levels, illiteracy, lack of skilled and technical personnel were all cited as brakes on progress.

### 3.3.4 Danger of losing flexibility and sustainability

Solidarity financing mechanisms do also fall prey to bureaucracy and inflexibility. Some found funds were slow in being provided, perhaps coinciding with the more institutionalised examples (large solidarity funds).

*There are often very specific frameworks for attributing funds. Often, project management support activities, capacity building and operational costs are not taken into account, yet these are aspects that guarantee the sustainability of actions. Too often only the « pipes » are financed.*

*Fau Vive France*

One respondent felt that flexibility was precluded by fixed contracts, now almost always a feature of these relationships. On the other hand, another attributed lack of flexibility to the random nature of the support received in the context of a twinning relationship – so that when the project was finished there was no means of scaling up or moving on to another project.

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Respondents were, however, unanimous in believing that such mechanisms should be extended, seeing them as providing a much needed contribution to increasing access to water and sanitation for the poorest. The following section looks at how the problems noted can be addressed and explores possible lines for improvement.

*Solidarity financing mechanisms contribute to the sustainable access to drinking water and sanitation via an emphasis on zones that are overlooked by the major donors. Therefore, they contribute to satisfying the needs of a significant proportion of the world's population. Even though the actions of these solidarity financing mechanisms are not always on a very large scale, they bring an immediate and often sustainable solution to the problem of water among disadvantaged populations.*

*Mairie de Grand Popo, Benin*

## 4 The way forward – Suggestions for improvement

### 4.1.1 Better formulation of needs

Some expressed the need to better accompany and support the beneficiary population in identifying and formulating their needs. This in turn would help the partners to ensure that the support they offer is more pertinent and appropriate.

*We must change the clichés we have with regard to initiating a project. In the great majority of cases the villagers do not understand the project mechanism. Expecting them to make the first move is far from the best method in all cases. You can always wait, wait, and nothing will happen.*

*Migrant associations and other operators need to raise awareness, which, in most cases, awakens the enthusiasm of the villagers. This was our experience.*

*If they are aware of this difficulty at the outset, NGOs should not be afraid of carrying out a pilot project to convince the local population, who are often tired of charlatans who claim they are going to help them. Villagers have got to the stage where they'll believe it when they see it.*

*NGAM. Une Passerelle Vers Le Sud. France*

### 4.1.2 Importance of understanding the local context

Suggestions for improvement often concerned aspects of collaboration and development project management that others had cited as being advantages. For instance a call by one respondent to better involve the local population contrasted with another's description of active participation. This points to the need to go at the local pace, fitting in with local capacities and, as demonstrated by discussions at

*You need to count on a good dose of patience, because in the great majority of cases, those in need are behind on many levels: technological, intellectual financial, lack of imagination etc. if their partners do not demonstrate such patience they will be unfairly penalised.*

*Batcho Village Development Committee, Cameroun*

Africities, the need to respect local structures and hierarchies. There is no blueprint for solidarity financing mechanisms, they arise from and adapt to the local context. However by sharing experiences and communicating on solidarity financing mechanisms we can learn from

successes and seek advice for addressing difficulties.

### 4.1.3 A more professional approach

Several responses call for a more professional approach overall, that there is a need to move on from "doing a good deed" and taking a more structured approach. Again, this was a point that was further underlined during the special session. Tying in to this, some felt there was a need for better coordination of often scattered actions.

### 4.1.4 More financing within a more consistent framework

*The amounts provided should be considerably increased, strategic documents already drawn up for water and sanitation programmes should be referred to, the State technical services should be involved and projects should be carried out in perfect synergy with all stakeholders in the water and sanitation sector.*

*Entente Bamba-Thialène, Sénégal*

Several responses call for an increase and extension of solidarity financing mechanisms, but some also warn that this must be in harmony with the wider context, ensuring that actions are within the framework of national policy, contributing to existing programmes.

Further to this, it was suggested during the debate at Africities that more stable and continuous support needed to be offered by the North, so that longer-term plans could be made.

#### **4.1.5 Raised awareness among local and regional authorities**

There is also a need for raising awareness among local and regional authorities as to the importance of water and sanitation, bringing it to the top of their agenda as well as fostering their support for solidarity financing mechanisms.

*It is very important to raise the awareness of policy makers and get them to accept this type of project, as they can then set in place the appropriate regulatory and legal framework so it can continue and expand.*

*Plateau State Rural Water and Sanitation Agency, Nigeria*

## 5 Recommendations

It can be considered that the overriding message that arises from the responses to the questionnaire is that solidarity financing mechanisms are greatly appreciated both in terms of the physical solutions they offer as well as in the manner in which they function (building of ties between people, capacity building, social organisation etc.). However, they will never alone be enough to provide access to water and sanitation to all. We need to reflect on how to extend them and enhance them in ways that maximise their impact by ensuring they continue to provide access to those overlooked by other financing mechanisms (fill a gap), attract larger sources of financing (leverage) and fit in with wider projects and programmes (complementarity).

So we are faced with the question of "How can we do MORE and do it even BETTER"? In light of the issues raised through the survey and the suggestions made by the respondents, as well as the recommendations arising from the special session at Africities<sup>7</sup>, the way forward is presented as four distinct challenges facing the stakeholders of solidarity financing mechanisms:

1. **Improve the quality of demand** – The local populations in the South need to be better equipped to express their needs in specific and agreed terms. This in turn will enable the partners in the North providing support to better tailor their responses and funding. Projects must also be in line with the wider national water and sanitation policies.
2. **Ensure that the supply (support offered) is appropriate and realistic** – Northern partners in solidarity financing mechanisms must ensure that the support they offer is appropriate to the local context and realistic in terms of short and long-term objectives. A professional approach to the different aspects of development involved is primordial.
3. **Increase supply (support offered)** – Increasing solidarity financing practices will provide access to water and sanitation to those in need, but it will also have a leverage effect, attracting support from larger donors to scale-up projects and building confidence through increased local capacities. Communication on existing mechanisms, the way they complement other forms of financing and lobbying actions will raise awareness at all levels.
4. **Bring Demand and Supply into contact (match up project proposals and support offered)** - The importance of human relations in decentralised and solidarity-based financing mechanisms is one of their key advantages. However the resulting random nature of meetings and chance encounters leading to collaboration could be reduced by doing more to actively put the networks of NGOs and local authorities in the North into contact with those in the South

Below are suggestions for action to rise to each of these challenges at a local level (both in the North and in the South), a European level and a global level.

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<sup>7</sup> These recommendations can be found at :

[http://www.pseau.org/event/africites\\_4/ss2/africites4\\_ss2\\_recommandations\\_session\\_finsol\\_uk.pdf](http://www.pseau.org/event/africites_4/ss2/africites4_ss2_recommandations_session_finsol_uk.pdf)

## **5.1 Improve the quality of demand (project proposals) from the South**

### **5.1.1 Lines of action in the South**

- Capitalise on existing information and knowledge.
- Know and disseminate local development plans and national development programmes

#### **Specific Actions :**

- Establish a shared database. Gather the needs of local authorities
- Set up an information – training session
- Train local authorities in project formulation (such as for the EU Water Facility)
- Raise interest amongst financial partners in the water sector by communicating on existing regional initiatives

### **5.1.2 Lines of action in the North**

- Have populations accompanied in identifying needs and formulating projects
- Know the national policy and context of partners in the South
- Build the capacities of those responsible for water and sanitation services

#### **Specific Actions :**

- Establish shared database. Communicate on local authorities needs.
- Set up an information – training session

### **5.1.3 European-level actions**

- Identify and list existing initiatives that help Southern partners to formulate their needs and requests for support
- Make these initiatives known
- Obtain support to build project management capacities in the South

#### **Specific Actions: 2 lines of action – South and East**

- Draw up a summary of existing initiatives
- Adopt a strategy to disseminate the information regarding these initiatives
- Put the information needed by project implementers on line
- A bi-annual European Seminar

### **5.1.4 Global actions**

- Disseminate summaries via the OECD and United Nations.
- Support Initiative type II registered with the United Nations
- Communicate results to the regional development banks in order to obtain support from local project promoters.
- Communicate these results during the World Bank's water week
- Register the topic of building local capacities to formulate requests for support at the 5<sup>th</sup> World Water Forum in Istanbul

## **5.2 Ensure that the supply (support offered) by the North is appropriate and realistic**

### **5.2.1 Lines of action in the South**

- Gather requests from local authorities
- Analyse the impact of actions and share the lessons learned

#### **Specific Actions :**

- Make available to stakeholders in the North information relating to the real needs of local authorities in the South.

### **5.2.2 Lines of action in the North**

- Disseminate the requests of Southern local authorities
- Analyse support practices with regard to the needs expressed
- Support local authorities and NGOs in the North in the processes of identifying needs

#### **Specific Actions :**

- Make information available on-line
- Set up an information – training seminar

### **5.2.3 European-level actions**

- Disseminate analyses of practices to identify the needs of local authorities in the South
- Highlight and communicate on the added value of direct co-operation in meeting these needs.

#### **Specific Actions:**

- Disseminate analyses
- Hold a European seminar

### **5.2.4 Global actions**

- Disseminate lessons learned regarding practices for understanding local demand via the OECD and the United Nations

## **5.3 Increase the supply (support offered and resources tapped)**

### **5.3.1 Lines of action in the South**

- Local initiatives to generate funds and attract other financing
- Reinforce or create networks of partners including donors, banks and local private stakeholders

#### **Specific Actions :**

- Disseminate information on local initiatives to donors
- Identify financial partners in 1 or 2 countries and the conditions of their investment

### **5.3.2 Lines of action in the North**

- Increase communication to local authorities, water companies, local organisations and the general public regarding solidarity financing mechanisms
- Increase lobbying of government bodies involved in overseas cooperation

- Lobbying to integrate solidarity financing as a tool available to major donors for certain aspects of projects (capacity building, etc.)

#### Specific Actions :

- Creation of communication tools
- Analyse existing campaigns as well as the arenas and dates for lobbying actions.

#### **5.3.3 European-level actions**

- Lobbying to integrate solidarity financing as a further tool available to major donors for certain aspects of projects (capacity building, etc.)

#### Specific Actions:

- Join up with and strengthen existing campaigns (such as those organised by Water Aid or Fan)

#### **5.3.4 Global actions**

- Lobbying to integrate solidarity financing as a tool available to major donors for certain aspects of projects (capacity building, etc.)

#### Specific Actions:

- Join up with and strengthen existing campaigns (such as those organised by Water Aid or Fan)

### **5.4 *Bring demand and supply into contact (Match up project proposals and support offered)***

#### **5.4.1 Lines of action in the South**

- Mobilise networks of local authorities and NGOs to communicate on where demand lies (Municipal Development partnership, UCLG-A)

#### Specific Actions :

- Experiment with a database shared between two countries in the South, and one in the North

#### **5.4.2 Lines of action in the North**

- Mobilise networks of local authorities and NGOs to know what the demand is and where it lies.
- Mobilise networks of local authorities and NGOs to know what support is available (for instance in France, the Association of Mayors of Large French Towns, the Decentralised Cooperation Commission, United Cities etc.)

#### Specific Actions :

- Share databases with European stakeholders
- Communicate on needs

#### **5.4.3 European-level actions**

- Mobilise networks of local authorities and NGOs to know what the demand is, where it lies and what support is available (EWP, CCRE, Concord)

Specific Actions:

- Communicate on examples of how these actions can complement other financing forms and match demand and supply

**5.4.4 Global actions**

- Mobilise networks of local authorities and NGOs to know what the needs of Southern partners are and what support is available (UCLG)

Specific Actions:

- Communicate on existing mechanisms for matching demand and supply

## 6 Conclusion

Since the Summit for Sustainable Development at Johannesburg and the revealing of the gulf separating us from meeting the basic needs of access to drinking water and sanitation for all and the means implemented to achieve this objective (target 10 of Objective number 7) we have been working to show that initiatives based on the investment of the world's citizens on a local-to-local basis are indispensable to the success of this global challenge.

The growing urbanisation that is affecting large and small towns alike that is accompanied by a withdrawing of central government involvement in maintenance and renewal, and even in infrastructure investment, all serve to highlight the role of local authorities.

The response to the needs expressed by the local authorities in developing countries is partly an increase in financing of services but also the long-term support of local managers who must respond to the needs of the poor populations who are unable as yet to participate in the cost of service implementation and can only make meagre contributions to operating costs.

Therefore, we must seek innovative solutions which, by improving the immediate environment will gradually allow these populations and their elected representatives to sustain access to water and sanitation, the first step in on-going economic development.

The actions that arise from solidarity financing mechanisms are just such actions and bring a ray of hope, the missing link that could help public and international investments to find their mark and become really effective. The need for this type of cooperation is now accepted within the international institutions but remains to be shared with those who implement major investment programmes. The complementarity between the modes of action is not yet sufficiently asserted and put into action.

The combining of solidarity financing mechanisms and Official Development Assistance should be seen as a necessity, as providing added value and a guarantee of sustainability. This concept of solidarity financing mechanisms covers the action of NGOs who raise funds for the poorest and of local authorities and service management authorities in the North who provide financial and human resources.

We are now at a cross-roads, the main types of solidarity financing mechanisms have been identified, and we must now widen the adoption of a system of solidarity between rich and poor in all countries wishing to do so. There cannot be a single model or blueprint because in analysing the systems that already exist it has become clear that they are closely linked to the way water and sanitation is managed in the country that initiates the mechanism and to their experience in co-operation in the water sector.

There is still much left to do to achieve mutual recognition and understanding and a sharing of the capacities and experiences to help work towards MDG 7, without which none of the other goals can be attained.

The network of partners that has been established reveals the wealth and diversity of experiences. While the individual added value of actions is not contested, we must communicate to convince governments and donors to support this path that makes it possible to mobilise the wealthy users of their countries around drinking water and sanitation for those who are denied access. We must now bring supply and demand into contact and make the most of networks of local authorities, operators, specialists and researchers that have been created to make water and sanitation the priority cause for all citizens now and for the next decade.

This programme also helps us to understand what the term "solidarity" really means. It is neither charity, nor the exclusive realm of NGOs, but consists in sharing the experiences and know-how of some so that all may benefit.