



**FROM
SERVICE
DELIVERY TO
SUSTAINABLE
WATER
MANAGEMENT
IN TAJIKISTAN**



OXFAM

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1 Overview

Programme information

Name	Tajikistan WASH Programme
Country	Tajikistan
Budget	£7.45m (FY 2018–23)
Start Date	December 2013
End Date	March 2023
Donors	European Union Directorate-General for International Cooperation and Development (DG DEVCO), FinWater, Swiss Agency for Development and Cooperation (SDC), World Bank

Problem analysis

Tajikistan is often described as the poorest country in Central Asia, with GDP per capita consistently lower than any of its regional neighbours.¹ Its water and sanitation infrastructure is severely dilapidated, suffering from decades of underinvestment and the failure to address widespread damage suffered during the country's civil war (1991–1996). While great strides have been made in recent years, the pace of change remains slow, and around one-third of the rural population is still without access to improved water sources,² compared with less than 10 percent in Tajikistan's cities, and less than 20 percent in rural areas of neighbouring Uzbekistan.

Efforts to ensure everyone has access to adequate water and sanitation take place at the national level, and are managed through a water governance structure that is expensive, unwieldy and characterized by contradictory legislation and blurred responsibilities between the public and private sectors. Reform of the sector and roll-out of improved infrastructure have been slow, requiring both revenue collection from service users for financial sustainability, and strong accountability mechanisms to ensure that the rights of the most vulnerable are adequately protected.

Brief programme description

The current iteration of Oxfam's WASH programme in Tajikistan began in 2009. It has a strategic vision that runs until 2023 and the budget for the period FY2018–23 is £7.45m. The programme is based on a theory of change which has four pillars: improved governance of water and sanitation at national and local levels; building demand for and supply of sanitation at a household level, alongside improved hygiene practices; social accountability in water provision; and securing financing for water and sanitation through innovative funding models.

Oxfam is an influential player in national-level dialogue on water governance, and has built a coalition for coordination,

advocacy and influencing, The Network of Stakeholder Organizations on Sustainable Water Supply and Sanitation (TajWSS).³ At district level, Oxfam promotes governance through Water User Associations, which are part of local government structures and are responsible for water supply and management in rural areas. They are accountable to Water Trust Funds, which are made up of local WASH actors from the government and private sector and select villages in need of water and sanitation infrastructure.

In sanitation, Oxfam is in the early stages of using 'sanitation marketing', an approach also deployed in the Philippines.⁴ It seeks to stimulate household investment in sanitation to strengthen the market for sanitation products, create jobs, reduce costs and promote sanitation norms.

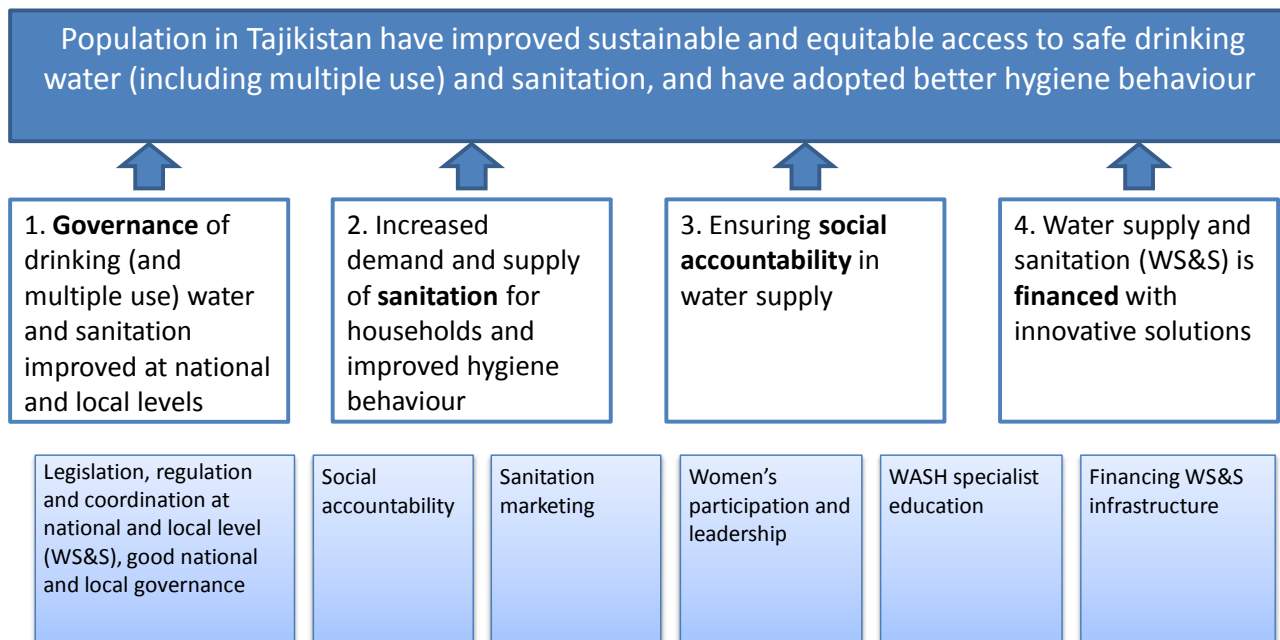
Oxfam is boosting water supply by building the capacity of those actors responsible for the supply and maintenance of water systems, and is supporting sustainable cost-recovery through community-led tariff arrangements. Oxfam has also directly supported the construction of WASH infrastructure, through the co-financing of projects identified by Water Trust Funds.

The programme includes the Tajikistan Water Sector Improving Social Accountability Project (TWISA) project funded by the World Bank, which focuses on increasing the engagement of people Oxfam works with in monitoring the performance of the water supply and sanitation subsector. This could be through, for example, the development of gender-sensitive service quality indicators or using Community Advisory Boards to monitor service delivery.

The 'hardware' component is now transitioning to work on identifying models that promote greater financial sustainability, including the use of Revolving Funds, the piloting of Development Impact Bonds and supporting access to finance for infrastructure development.

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General Theory of Change



All six dimensions are key for the sustainability of service provision

2021: Local government is able to obtain a loan from a commercial bank and to pay it back.

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2 Achievements and challenges

Achievements to date

Amplifying grassroots voices in the reform process

Oxfam's policy work has ensured that the rights of rural communities have consistently been on the agenda during the reform process. This has been achieved by convening high-level stakeholders in the TajWSS network, and effectively linking our work in communities with policy dialogue.

In doing so, Oxfam has played a critical role in the development of key components of Tajikistan's regulatory framework. Oxfam has:

- Partnered with UNDP on the development of a new, equitable, fully cost-recoverable and locally-owned methodology for tariff collection.
- Facilitated the establishment of Water Safety Plans by the government of Tajikistan, which are critical in mitigating water-borne disease.
- Amplified rural voices so that they are included in national legislation, including the 2010⁵ law 'On drinking water and drinking water supply', and the setting of national targets under the UN Health Protocol in 2013.⁶

Infrastructure sustainability through decentralized tariff collection

Oxfam, in partnership with UNDP, has developed and piloted a new methodology for water tariff collection for cost recovery. The methodology – which relies on local assets, decentralized management and a strong accountability mechanism – has been highly successful, achieving collection rates of up to 85 percent.

Specific challenges

Tajikistan is one of the most remittance-dependent states in the world,⁷ with the money sent home from migrant workers in Russia critical to household budgets and national economic development. The ongoing financial crisis in Russia has had a dramatic impact on remittance flows, which have fallen by nearly \$1.5bn between 2013 and 2015.⁸ The resulting economic impact has been severe, with government budgets cut and infrastructure projects cancelled, and households struggling to keep up with payments for water and sanitation services.

This has presented challenges for the programme's efforts to achieve sector reform through a tariff mechanism, and to secure government support for the delivery of water projects. Additionally, the increase in economic instability has made the country a less appealing environment for investors, reducing incentives and opportunities for international financing of water and sanitation projects.

While macroeconomic issues continue to frustrate the programme at one level, Oxfam has worked to mitigate the impact on vulnerable rural populations. Oxfam's model promotes local ownership of service provision and maintenance, which encompasses tariff collection. This approach ensures that decisions on fee waivers or in-kind payments (e.g. crops) for poor households are made locally.

Lessons learned

Tariff mechanisms are an effective way to strengthen the sustainability of WASH programming, but risk increasing vulnerability during economic shocks. Programmes should ensure mechanisms are participatory and community-owned to mitigate this dynamic.

Convene local actors and work closely with duty-bearers to maximize the impact of advocacy.

Consumers' awareness of their rights and responsibilities will ensure the long-term sustainability of water and sanitation, helping to meet the needs of user groups, in particular women

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3 Partnerships and links with other programmes

Partnerships

Oxfam is at the forefront of WASH sector coordination in Tajikistan. It founded the TajWSS network in 2010, in coordination with the government of Tajikistan and with support from the Swiss Agency for Development and Cooperation (SDC). The network has been successful in bringing together partners from across the water sector in Tajikistan, securing buy-in from government agencies, parliament and the private sector, and engaging donors, international agencies, civil society organizations, academia and the media. It has provided a forum for collaboration between diverse high-level actors, and has encouraged cooperation to shape legislation, research, pilots, evaluations and advocacy.

In addition, Oxfam enjoys a strong working relationship with the government of Tajikistan and donor agencies. The organization plays a role in two further forums: as an observer at the government-led Inter-Ministerial Coordination Meeting, and as chair of the donor-led Donor Coordination Council.

Oxfam's role in these networks has enabled project-level collaboration with major agencies. Programmes have been able to leverage the UNDP's high-level access and authority to lend additional weight to research and advocacy components, complementing Oxfam's work in rural communities.

Links with Oxfam programmes

Oxfam recognizes that the global water crisis is rooted in power, poverty and inequality, not just in physical availability, and in Tajikistan – a water-rich yet availability-poor country – this dynamic is a core consideration for programming. The programme has moved away from direct service provision, transferring responsibility for delivery of the hardware component to local governance mechanisms, which are accountable at a community level.

It has used market assessment to analyse the scope for sanitation marketing, finding that affordability is not necessarily the main obstacle to uptake of improved household hygiene infrastructure. The programme has also ensured women's participation throughout, empowering women so that they are aware of their rights and responsibilities in relation to water and sanitation service provision, and are able to participate in accountability mechanisms.

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4 In focus

From service delivery to sustainable water management

‘The international community will not be here forever’, observes Orkhan Ali, Oxfam’s WASH Programme Manager in Tajikistan. ‘We must ensure that the environment is conducive for other players to enter.’

Despite widespread poverty, dilapidated infrastructure and an economy highly exposed to external shocks, donor interest in Tajikistan is waning as focus is drawn to larger crises. There is also general recognition among international actors operating within the country that donor-driven solutions to the country’s water problems over the last few decades are not sustainable.

Oxfam’s engagement in providing infrastructure solutions at a local level has lent it credibility within communities and at a national level. It currently reaches 26,000 people with improved drinking water by financing Water Trust Funds, through which it has also built local-level capacity to manage water supply systems. To date, it has provided 200,000 people with safe drinking water in rural areas.

Scaling up community involvement

Oxfam’s focus over the coming years will be on measures that further support local-level operation and governance of WASH infrastructure, while reducing dependence on external funds, and on finding solutions to provide long-term financing for the water network.

Oxfam will strive to scale up local operation and tariff collection, working with other stakeholders to ensure widespread adoption of its model – which is already endorsed by UNDP, SDC, the Department for International Development in the UK (DfID), and the World Bank. Oxfam will continue its work in communities and with local government to support local ownership of infrastructure, and strengthen the role of Water User Committees and Community Advisory Boards to ensure that tariff revenues are re-invested in the maintenance of the network.

Solutions for long-term financing

A tougher challenge is addressing the long-term financial needs of the WASH sector in Tajikistan. As duty-bearers, the government of Tajikistan and water operators alone have the responsibility to lead on the development of WASH infrastructure. Furthermore, the President of Tajikistan has put his personal support behind the UN international decade of

‘Water for Sustainable Development’ (2018–2028), committing the country to a number of ambitious projects.

Exploring innovative financing models – Development Impact Bonds (DIBs)

Oxfam is currently undertaking research into the viability of Development Impact Bonds (DIBs) in Tajikistan’s water sector. The approach has come out of a need to identify alternative financing models which provide significant capital investment that spreads the cost of projects over time. Research in this area is conducted by the UK NGO Social Finance,⁹ a pioneer in the development of Social Impact Bonds (SIBs),¹⁰ and is supported by Oxfam WASH Advisors.

DIBs are an emerging form of development financing which provide up-front capital for infrastructure projects through private sector investment. Investors then receive returns from the host government and the donor community based on social impact. This would be measured in terms of new household connections, drinking water quality and other social outcomes.

Under the model, Oxfam would act as an intermediary, working to attract investors, deliver a software component, and provide monitoring and evaluation. An external evaluator – independent of investors, donors, the Government of Tajikistan and Oxfam – would be responsible for assessing progress.

DIBs are a new practice within the sector, and their appropriateness and efficacy have been the subject of debate.¹¹ Research undertaken in Tajikistan represents an excellent opportunity for Oxfam to develop a stronger understanding of the modality, and generate evidence and learning that can be shared globally.

An equitable, enabling environment

The use of such a mechanism would be entirely novel within Oxfam, and would require substantial research, preparation and piloting prior to delivery at scale. While such options are explored, Oxfam will work within the TajWSS network and other fora to support other mechanisms for capital investment in Tajikistan.

Specifically, Oxfam will continue to support ongoing reform in the water sector, working with government on new legislation to facilitate a market environment which is both attractive to investors and equitable and accountable to service users.

For further information about this programme:
www.oxfam.org.uk/wash-tajikistan

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Notes

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¹⁰ Social Finance (b). Social Impact Bonds. Retrieved from <http://www.socialfinance.org.uk/services/social-impact-bonds/>

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