Supporting water sanitation and hygiene services for life
At IRC, we believe that turning on a working tap should not be a surprise or cause for celebration. We believe in a world where water, sanitation and hygiene services are fundamental utilities that everyone is able to take for granted. For good.

We face a complex challenge. Every year, thousands of projects within and beyond the WASH sector fail – the result of short-term targets and interventions, at the cost of long-term service solutions.

This leaves around a third of the world’s poorest people without access to the most basic of human rights, and leads directly to economic, social and health problems on a global scale. IRC exists to continually challenge and shape the established practices of the WASH sector.

Through collaboration and the active application of our expertise, we work with governments, service providers and international organisations to deliver systems and services that are truly built to last.
This document presents our overarching strategic framework and theory of change for the years 2017 to 2030, together with a set of priority actions and objectives for the period 2017-21. We chose 2030 because it's the target date for achieving the Sustainable Development Goals (SDGs).

We are dedicated to achieving SDG Global Goal 6 – Ensure availability and sustainable management of water and sanitation for all - and in particular targets 6.1, 6.2 and 6.3. We will judge ourselves on the contribution we've made to achieving these targets, and we will do this at three levels: in districts, nationally and globally.

1.1 THE CHALLENGE

Achieving the Water, Sanitation and Hygiene (WASH) SDG is possible but profoundly challenging. National and local systems are needed to ensure we can all build on investments in infrastructure and provide uninterrupted and high quality services. But these systems are often weak or non-existent.

Once WASH infrastructure has been built, its efficient operation, management and eventual replacement happens fitfully, or not at all because the national and local systems necessary to do so are lacking. Clean, safe drinking water remains the exception rather than the rule. People's awareness of hygiene is weak or non-existent, and the practice of open defecation is still widespread (partly due to the absence of hygiene awareness). Untreated faecal matter makes its way back into the environment and food chain.

A graphic example from the Akatsi district in Ghana (see Figure 1), shows the problem in a nutshell: officially 84% of the district's population is served with safe water, whereas in reality only 11% has access to a basic service as defined by national standards.

Why does this happen? Because the developmental approach, especially in rural areas, has been based on one-off projects, on charity and on providing new infrastructure. This has been at the expense of focusing on service delivery, sustainability and the creation of strong national and local systems.

The challenge posed by the SDGs is clear: to serve the immediate needs of the unserved and at the same time build the national and local systems necessary to maintain and steadily improve services over time, and ensure long-term sustainability.

During the lifetime of our previous business plan (2012-16) we sought to tackle these and other systemic challenges. We focussed on the need to understand the services that need to be delivered over time. We also worked to champion the significance of leadership shown by national and local governments; the importance of local people learning and adapting to come up with robust solutions; and the necessity of cross-sector dialogue to maximize the impact of WASH investment on people's lives and livelihoods.

The lessons learned during those years together with the trend analysis presented in the next section, form the basis of our new strategic framework and theory of change. Key among these lessons are:

- Providing WASH services requires strong national and local systems (building blocks) to be in place.
- Political leadership and public finance are linked, and both are essential to providing universal access to WASH services.
1.2 EMERGING TRENDS

To guide the development of our strategy we completed a background analysis of the major emerging trends in the WASH sector and, more broadly, in international development.

Climate change, population growth, migration and urbanisation all pose challenges to the WASH sector, not least an increase in demand for services. This increase in demand causes both systems and services to become vulnerable.

In response to this changing landscape, a wide variety of innovative solutions and new and diverse developmental organisations are stepping into the aid ecosystem. Among the major developments are the expansion of digital information and communication technologies, and the spread of local energy production (solar, wind and small hydro).

We also see a changing global aid landscape. Importantly, because they are one of our core partners, there have been changes in the priorities related to the Dutch government’s development cooperation policy, which aims to promote sustainable growth in developing countries through an “aid and trade” agenda in which the focus is increasingly on trade. This shift benefits the small- and medium-sized businesses in developing countries and Dutch commercial companies abroad. There has also been a shift in focus from direct support to civil society organisations (CSOs) to ensure service delivery, to improvements in their ‘lobbying and advocacy’ skills for universal access.

The WASH sector itself is also changing. Economic growth and development lead to demand (and the ability to deliver) for access to higher levels of services. But at the same time the inequalities remain high (see Box 1) and sanitation lags behind.

In general, we’re pleased to report that the idea that WASH (even rural WASH) should be seen through a service delivery lens is becoming the norm.

However, growing urbanisation is causing challenges to sanitation in particular. Sewerage is seen as too expensive (and not necessarily appropriate) to provide to all, and cheaper solutions developed in rural areas do not work in high density urban areas. Safe containment and treatment of faecal sludge is a pressing and growing challenge.

WASH finance is a continuous and fast-growing challenge. It is generally accepted that neither government investment nor aid has the potential to address the estimated US$ 141 billion needed per year to achieve the SDGs. At the same time, WASH as a long-term, low-margin business is subject to a broad and competitive range of political pressures, and as such remains a very difficult area in which to tempt private finance.

With economic growth and the winding down of traditional aid donors’ activities, there is an inevitable rise in the importance of countries raising and spending their own funds to provide for their people (also known as ‘domestic resource mobilisation’) – for WASH and the development sector generally. But we need to identify how to use public expenditure most effectively to bring in both aid and private investment.

---

**BOX 1: EQUITY AND GENDER**

The 2015 WHO/UNICEF Joint Monitoring Programme report focussed on the Millennium Development Goals and made the point that despite much progress since the 1990s, inequalities persist—between poor and non-poor, between urban and rural areas, and that women still bear most of the burden of lack of access to sustainable WASH services. Arguably the focus on achieving the 50% reduction in those with no access exacerbated this problem, encouraging a focus on “low hanging fruit” in order to boost numbers.

The concept of universal access embedded in the Sustainable Development Goals removes this problem and provides an opportunity: everybody means everybody. Nevertheless, the challenges of extending services to the poorest and improving women’s involvement in the governance of service delivery both call for special measures.

In our work in districts we will address the needs of the poorest and of women by: explicitly including indicators for gender and equity in our monitoring frameworks; by encouraging government and other partners to do the same; by lobbying for the use of subsidy to ensure the extension of services to the poorest; and by championing the role of women in the governance of WASH services.

---

IRC Strategy Framework 2017-30

1.3 Our 2012-16 Business Plan: Lessons Learned

IRC has become an important player in changing the sector’s focus. The Service Delivery Approach (SDA) is strongly embedded in the sector, while the global level’s understanding and debates around costing, service levels and sustainability are strongly influenced by IRC through its programmes...

End of Programme Evaluation

In 2011 we developed a five year business plan for the period 2012-16.

The ambitious plan aimed to achieve a total investment of €51 million in support of four broad and transformational goals for the sector which were to be delivered in six focus countries and internationally. The goals were:

1. Adoption by the WASH sector of a service delivery approach.
2. Adoption by the sector of a strong learning and adaptive approach to service delivery.
3. Improved aid effectiveness (subsequently changed to strengthening the role of national and local government to lead the development of the WASH sector).
4. Improved inter-sectoral dialogue and planning alignment.

The End of Programme Evaluation (EPE) found that we had been largely successful in achieving the first goal, with service delivery now well entrenched in our focus countries and used internationally as the guiding paradigm for the WASH sector. It also found significant success in the second and third goals, especially with the narrowing of the focus of the third. The fourth goal was met with limited success.

The EPE noted that the adoption of a service delivery approach was at its greatest at policy and dialogue levels, but still needed more time to lead to concrete activities on the ground. It also found that we needed to strengthen our monitoring in order to improve the measurement of changes across the cycle from policy to impact, learning and adaptation.

These findings supported our own internal analysis that interventions need to be for the long-term and across the entire service delivery chain – from national level to community and household level. They showed that a broad range of national and local systems (or building blocks) need to be in place and working in order for services to be delivered.

For these reasons, we decided to frame our key contribution to the SDGs in terms of building and strengthening national and local systems. Lessons learned from the previous business plan informed our decision to extend our philosophy of long-term commitment to our focus countries. We will now make a long-term commitment to partner districts within those countries. This allows for direct intervention (and measurement) along the entire service delivery chain from national policy level to improved services on the ground.

The last five years have also thrown up a major challenge. While there has been an increased adoption of a service delivery approach, this hasn’t led to increase in funding for service delivery. We believe that this is because we’ve focussed on advocacy and influencing the people within the sector, who have largely adopted the approach. We now need to ensure greater political commitment and leadership, backed with the investment of public (and other) finance. Without it, progress will remain slow. As a result, our new strategic framework has a much larger role for direct advocacy work outside the sector itself, as well as helping people to demand greater commitment to WASH.

Finally, in our 2012-16 business plan we expressed our intention to decentralise and diversify our business model. The EPE found that we had largely been successful in this. We had opened four country offices and become a trusted partner of each government and the other players in our focus countries. It also found that we had a greatly strengthened hybrid business model with a diversified funding base and had greatly reduced our reliance on core funding. Our new strategy aims to build on and refine this business model.
2 Our strategic framework

Since we became independent of government in 2006, we have seen our role evolve. We’ve changed from being a neutral, Netherlands-based, ‘knowledge broker’ to become an international ‘think and do tank’ – playing an active role in national level discussions and sector developments in our six focus countries and beyond. Strengthening our presence in our focus countries, including the opening of four country offices in Burkina Faso, Ethiopia, Ghana and Uganda, was a major reason why our previous business plan was such a success.

The following sections set out the broad strategic framework under which we expect to build on these successes while continuing to adapt to emerging challenges.

2.1 OUR ROLE AND THEORY OF CHANGE

Our strategy is guided by a long-term theory of change (see Figure 2 and in more detail in Annex 1) which tells what we have to do and why in order to achieve our goals on three levels of intervention: district, national and global.

One of the lessons we learned during the past five years is that a presence at a national level must be matched at the district level. If it is not, it is difficult to ensure that high-level interventions in policy and learning are leading to real improvements in services. It also makes it difficult to fully test the effectiveness of interventions along the entire service delivery chain.

In implementing our new strategy we will expand our successful decentralisation strategy from the national to the district level: we will adopt partner districts within focus countries and committing to partnering with those districts until they achieve universal access to WASH services.

We will make sure that our work to strengthen national and local systems in a way that brings services to the most disadvantaged and remote communities within a district (see Box 1).

We will work in long-term partnerships in districts, led by local government and involving other district partners, and help them to achieve and maintain their vision of universal access. We will take the lessons learned from these districts and bring them to the national level – helping to create the environment needed to enable replication and sustainability.

We will use district level progress as a proof of concept (that universal access can be achieved) to promote a move towards universal access at the national level, and encourage replication and adoption in other districts. We will then take what we have learned from the districts in our focus countries into the global development forum.

The Theory of Change diagramme shows the primary flow of causality: from district to national to global. In reality, the flow of information and support moves in both directions, from district to national to global, and vice versa. Promising examples from outside a country or district are being used to identify possible solutions within them, and with political support at the national level, this provides the ability to experiment and adapt within districts. National systems (e.g. for monitoring or regulation) are required for local systems to function effectively.

As we implement our theory of change we will build on our traditional areas of competence in knowledge management, capacity building, innovation and research, advocacy and policy. To these we will bring our skills in supporting change processes: as a convener, networker, documenter and sharer of knowledge and use these to act as a “change hub” in support of broadly based district and national level partnerships. These activities will support a broad multi-partner approach for collective impact (see Box 2) which will mobilise broad-based support to achieving SDG 6.

While doing this we will maintain our focus on the goals from our previous business plan: service delivery, government leadership, learning and adaptation, cross-sectoral dialogue. We will also add our new focus on systems change and national and local systems strengthening (see Box 2), while still drawing on the lessons we’ve learned (see section 1.3).
Global Goal: Worldwide achievement of SDG 6 by 2030

Outcome G1: Global political and financial commitment
- Consultancy activities

Outcome G2: Global capacity
- Global political and financial commitment
- Global capacity
- Global models
- Documentation & dissemination activities

Outcome G3: Global models
- Global capacity
- Global models

National Goal: National achievement of SDG 6 by 2030

Outcome N1: Strong national systems for SDG 6
- Outcome N1: National political & financial commitment
- Advocacy activities

Outcome N2: National capacity
- Outcome N2: National capacity
- Outcome N3: National models
- Hub activities

Outcome N3: National models
- Outcome N3: National models
- Capacity building activities

Intermediate outcome N1: Strong national movement
- Intermediate outcome N1: Strong national movement
- Roadmap activities

Advocacy activities
- Advocacy activities
- Action research activities

Outcome N1: National political & financial commitment
- Outcome N1: National political & financial commitment
- Hub activities

Intermediate outcome D1: Strong district partnership
- Outcome D1: Strong district partnership
- Action research activities

Outcome D1: Strong district partnership
- Outcome D1: Strong district partnership
- Roadmap activities

Outcome D2: Strong district systems for SDG 6
- Outcome D2: Strong district systems for SDG 6
- Action research activities

Outcome D3: District models
- Outcome D3: District models

Outcome D4: District capacity
- Outcome D4: District capacity

Outcome D5: District models
- Outcome D5: District models

Figure 2: Our theory of change
Our strategic framework mirrors and supports that of the Agenda for Change. This is the movement we co-founded with WaterAid, Water For People, Osprey Foundation and Aguaconsult, and we will continue to support and aim to grow the movement under the new strategy.

The theory of change is explained in more detail in the following paragraphs, at the three main institutional levels of implementation: national, district and global.

### 2.2 NATIONAL LEVEL: SUPPORTING STRONG NATIONAL SYSTEMS AND GOVERNMENT LEADERSHIP

We act as a change hub (see Box 3) in our focus countries. This means that we drive collective action by a wide-ranging partnership of sector players – resulting in strong and resilient national systems. These systems can and do deliver WASH services: and they’re capable of delivering and maintaining the WASH SDG. Our role is to make sure that people take ownership of a shared vision of universal access. We do this by bringing them together, building capacity, advocating, gathering evidence, and supporting learning and sharing.

Our increasing experience in this role in Honduras, Ghana, Burkina Faso, Uganda, Ethiopia and India means that we are confident that we can make a difference in supporting collective action towards sustainable WASH services for everybody.

Our increasing experience in this role in Honduras, Ghana, Burkina Faso, Uganda, Ethiopia and India means that we are confident that we can make a difference in supporting collective action towards sustainable WASH services for everybody.

Our increasing experience in this role in Honduras, Ghana, Burkina Faso, Uganda, Ethiopia and India means that we are confident that we can make a difference in supporting collective action towards sustainable WASH services for everybody.

### BOX 2: SYSTEMS CHANGE AND SYSTEMS STRENGTHENING

- Our approach is based on a belief that reliable and sustained WASH services must be delivered by strong and competent national and local systems.
- Systems are the networks of people, organisations, institutions and resources (the “actors” and “factors”) necessary to deliver services. They include both hardware and software, management and governance. The key sub-systems (often referred to as “building blocks”) necessary for WASH services include: institutional systems; service delivery models; monitoring systems; water resources management systems; financial systems; planning and budgeting systems; regulatory systems; procurement and project delivery systems; learning and knowledge sharing systems; and asset management systems.
- Our approach understands that the failure of services is a symptom of the failure of systems: calling for systems change and systems strengthening.
- It is anchored in both a conceptual understanding of the theory of systems change and the practical business of identifying and strengthening the building blocks for effective service delivery.
- Many of these building blocks overlap – and which ones are most important to WASH service delivery can change according to time or context.
- Driving change in systems requires collective action by key members of the system. This collective action needs to be supported by a change hub (see Box 3).
- The core element of systems strengthening is that for WASH services to be delivered, all building blocks must be present and working to at least a minimum level.
supporting other like-minded organisations to establish new hubs (where opportunity and demand exists).

As well as generating buy-in and leadership at the national level, we will also work directly to strengthen the building blocks that create a strong national sector. We will ensure that where good national systems exist we will champion their application. If the national systems are lacking or not good enough, we will use our work in districts to inform their development and strengthening.

2.3 DISTRICT LEVEL: EXPERIMENTING TO GET TO UNIVERSAL ACCESS

We have always worked at the district level, and we see districts as critical to the achievement of universality and sustainability. Each local government is a critical player in delivering WASH because of its role as a service authority. In recent years we have been building stronger and longer-term relationships with districts and these partnerships now have a central role in our strategy as well as the Agenda for Change.

Between now and 2030, we have committed to maintaining our long-term partnerships with selected districts in our focus countries. The aim is to achieve universal access and indefinite sustainability in each district. We will hold ourselves accountable for ensuring that at least one million people will have access to sustained, safe and adequate WASH services by 2030.

We will play the same hub role at district as at national level – we will bring players together, stimulate experimentation, and create and share knowledge that can be reused by an individual or organisation. But we will also go one step further. We will work with districts to map assets, monitor services, develop realistic budgets and clear, comprehensive plans, and afterwards we will help to identify funding sources for those plans.

We will link what we do at a district level to a national level, and bring our district experiences and those of others to contribute to the broad change movement as shown above in Figure 3: Agenda for Change.

---

**BOX 4: URBANISATION AND URBAN WASH**

Ever increasing rates of urbanisation provide both opportunities and challenges. Challenges such as the need to deal with faecal waste when it can’t be stored on site; and, opportunities to benefit from economies of scale and draw on a deep urban skills base.

Despite the rural roots of our work, our commitment to partnering with districts to achieve universal access means that small towns, rural growth centres, and even peri-urban areas (the interface between town and country) of large cities will increasingly become part of our portfolio.

---

2 We use the term ‘district’ as a blanket term for the most appropriate level of devolved government at which to work. The most critical determinant in what this level is, is that it should align closely to service authority functions.

This unit will have a different name in different countries: Gram Panchayat, Woreda, Commune, District, County etc.

3 This number will be validated in 2017 as part of baseline exercises in all focus districts.
2.4 GLOBAL LEVEL: ADVOCACY AND KNOWLEDGE FOR NATIONAL SYSTEMS STRENGTHENING

Our global agenda carries on from our original mandate: sharing our knowledge and experience of WASH on the one hand, and advocating our core messages on the other.

We do this by drawing on our own and partners’ experiences in our focus countries and districts (and beyond). We aim to feed the growing global demand for quality information about what works and, just as importantly, what doesn’t.

Our global activities help us to increase our impact, as well as establish our reputation and draw in financing for this global work. Both feed into each other because we’re able to provide credible inputs (we did it, we have the data), thus influencing the larger funders of WASH. We will do this by:

- Using evidence from our focus countries and districts for advocacy.
- Combining lessons learned from our focus countries and districts to gain new insights into building systems.
- Bringing global innovations to our focus countries and districts.

Figure 3: Agenda for Change: role of, and links between, global, national and district hubs
2.5 OUR PHILOSOPHY OF ACTION

We will apply the following approaches and philosophies in all our work.

**ACTION RESEARCH:** Action research is our guiding philosophy at the district level. We believe that action research is a scientifically-sound, useful form of support that we give to the communities we help to overcome their challenges and to achieve the desired result. We see our focus districts/ municipalities as development laboratories: areas where, in collaboration with district authorities, communities and other partners, we search for and test solutions that work.

**ANYTHING THAT WORKS:** We do not restrict ourselves to one type of intervention or technique. Many methods have failed in the past, but human ingenuity can always find a better way of delivering water and disposing of human faeces. What works for us is any approach that secures equitable service-delivery sustainably.

**MEASURING FOR ACTION, ACCOUNTABILITY AND TO LEARN:** We will use monitoring and measurement systems to realise our overall vision. We will use and strengthen national/ local monitoring systems wherever possible. We will aim to ensure that the time between measurement and action is as short as possible (whether it’s to repair a pump or to abandon a failing experiment).

**INFORMED DEBATE:** People who want to take part in the processes to secure their WASH services should understand their position and have access to reliable data. The Watershed programme, for example, aims to support civil society organisations (CSOs) in playing their mobilising role by having access to trustworthy information, both from within their own community and by comparing with others.
3 Our business model

Our business model rests on three main pillars:

- **Country and District Programmes** in at least six (with the ambition to grow to ten) countries, with at least one partner district in each country.
- An **International Influencing and Innovation Programme**.
- A globally operating advisory brand, IRC Consult (see section 3.1).

Together, these pillars allow us to develop the long-term relationships necessary to effectively strengthen systems and drive change in our focus districts and countries. They also let us add the lessons we’ve learned to the global policy agenda to achieve something new or better.

The core of our funding strategy is strategic opportunism. This means that, because we are a medium-sized player with a strong brand that is primarily reliant on the market for most of our funding, we will always:

- Work to a vision and mission.
- Seek funding to support medium- and long-term programmes with clear goals and objectives.
- Do so knowing that we need to be flexible and responsive to the needs of partners, funders and the broad market.

It means that we are entirely goal oriented, but flexible and skilful in identifying opportunities to achieve those goals. It means being strong networkers and reliable partners – because it is only through contributing to a broader movement that we can hope to make a meaningful contribution to our global goals. And finally, it means being clear about our own key attributes and the value we can add. For example, as a hub organisation we can support processes which strengthen national and local systems. We’re able to bring people together, get things moving, introduce new methods or ideas, inform people and advocate shared sector goals in focus countries and districts.

In terms of an organisational model, we will continue to drive towards a decentralised model of increasingly independent country-based business units sharing a common brand, values and ways of working, and sharing resources via an internal market. Each business unit will become increasingly responsible for assuring its own effectiveness in achieving its mission while maintaining a sound financial model. And all will be responsible for contributing to the health of the overall organisation and its global mission.

Our long-term vision is that our country offices will eventually become fully independent entities, equal partners in a networked organisation.

3.1 IRC CONSULT

Through IRC Consult, our staff (whether employees or associates) are made available to the market for a range of advisory activities. IRC Consult is a two-way channel for influence and knowledge. We expose others to our expertise, and we in turn learn from a broader range of experiences than are found in our focus countries alone.

We intend to further develop IRC Consult into a recognised and independent consultancy firm, which is closely affiliated with our (country) business units.
4 Our organisation

As a think and do tank and a system-building organisation, our most important resource is our staff. We will therefore aim to be the employer of choice among our peers. We will offer competitive benefits, comparing where possible with our highest-ranking peer organisations, while maintaining a stimulating and flexible working environment.

We will work with no more than four hierarchical levels, encouraging individual staff members to show initiative, develop their own areas of expertise and work effectively together in teams. We will provide continuous on-the-job training to all staff, including strengthening the management and leadership skills of our line, programme and project managers.

As we mentioned in the previous section (3. Our business model), we will continue to decentralise our organisation to create a set of functionally independent business units which all contribute to our shared goals and objectives. The end goal of this process is to create a network of independent national organisations which all share our brand and contribute to shared overhead costs.

IRC believes in the involvement of staff (full time, part time and other) in its governance and strategy development. As such, it will create an effective and appropriate staff representation body that covers all of its country offices. It will also identify at least one “trust person” in each office, and clear mechanisms for issues of concern to be brought to the attention of management or board.
Implementing our strategy: medium term objectives and detailed annual plans

Our strategic framework will guide our actions between 2017-30. It will be updated periodically as will our theory of change. A robust monitoring framework will be developed to support its implementation and adaptation. Implementation will be guided by a medium-term results framework (2017-21) and detailed annual plans.

When the Sustainable Development Goal of universal access by 2030 was agreed in 2015, the clock started ticking on a 15-year period of steadily increasing service delivery. We have identified the first five years of this period as an essential time for identifying the models that will allow us to achieve universal access.

As a result, the overarching objective of the first five years of our strategic framework is to create the foundations for achieving universal access in our partner districts and countries, as well as contributing to this aim globally. We will continue to establish the partnerships, the political support, tools and approaches and the service delivery models necessary to achieve SDG 6 by 2030. A secondary objective is to finalise the development of our new hybrid (‘think and do tank’) business model while stabilising and further diversifying our funding.

These overarching objectives are split into sub-objectives in the following sections, dealing with programmes; organisation; business development and finances.

5.1 PROGRAMMES
Programme sub-objectives are presented for each of our three main levels of intervention: district, national and global.

5.1.1 District level
We will identify which of our partner districts have a combined population of at least 1 million people and in these cases will:
- Create district hubs and partnerships.
- Agree district visions for universal access.
- Develop district master plans and funding strategies.
- Begin plan implementation
- Identify and test service delivery models for the unserved.

Key results by 2021: A minimum 10% reduction in those unserved; a 10% improvement in the quality of service delivery; significant progress on indicators of system strength; realistic strategies to rapidly scale and achieve universal access to basic national standards for safe drinking water and sanitation within partner districts by 2030.

5.1.2 National level
We will create national hubs supporting the Agenda for Change partnerships in all six current and up to four new countries meaning the:
- Creation of hubs and partnerships.
- Development and implementation of strategies for national systems strengthening.
- Effective advocacy for increased government leadership and public finance.
- Effective support to knowledge management (including documentation, sharing, and learning platforms)

Key results by 2021: That strong, government-led partnerships will have a clear vision, and strategies and plans for achieving universal access by 2030; that Ngor and other commitments for public finance to the WASH sector are being respected; and that there has been significant progress on developing national level building blocks (such as priority finance and monitoring).

5.1.3 Global level
We will create a global hub to support the Agenda for Change, Sanitation and Water for All and other partnerships. This will be achieved by the following:
- A strong partnership of NGOs and philanthropists committed to the Agenda for Change.

\[^{4}\text{Figure to be confirmed and expanded during mapping exercises in 2017.}\]
• Successful advocacy for national systems building, increased finance and appropriate financial models for the sector.
• Successful advocacy for service delivery; government leadership; use of national systems; public finance; research and learning in the global WASH arena.
• Effective global sharing of news, evidence, experience, tools and approaches.

**Key results by 2021:** The Agenda for Change is recognised as a movement of change achieving visible results; increased sector support for, and understanding of, national and local systems building; increased sector support for the use of public finance as a critical element of WASH financing.

**5.1.4 Our content expertise at district, national and global levels**
We will be seen as a leading voice in the following areas of content expertise by 2021:

• National and local systems change and systems strengthening.
• National monitoring systems.
• Public finance for WASH.
• WASH/IWRM interface (local water governance, MUS).
• Sanitation service delivery (application of the Service Delivery Approach to sanitation).
• Water and sanitation services in small towns and peri-urban areas (non-utility and non-sewered populations).

**5.2 MONITORING, EVALUATION AND LEARNING**
By the end of 2017 we will have developed an overarching results framework for the entire period of the strategic framework and theory of change. This framework will:

• Clearly identify baseline levels of WASH service in our partner districts.
• Provide robust indicators for monitoring improvements in WASH services.
• Set medium-term (2021) targets for improvement in WASH services.
• Clearly identify the strength of (and gaps in) existing national and local WASH systems (building blocks).
• Provide robust indicators for monitoring improvements in systems.
• Set medium-term (2021) targets for improvements in systems.
• Clearly identify the current level of support for national systems strengthening at a global level.
• Provide robust indicators for monitoring improvements to support systems strengthening at a global level.
• Set medium-term (2021) targets for improvements to support systems strengthening at a global level.

This results framework will form the basis of annual monitoring and reporting along the entire intervention chain – from national and district level systems strengthening to the quality and coverage in WASH services within our partner districts. It will be supported by a public-facing monitoring section on our website.

We will also develop a framework to guide our own and others’ learning. By the end of 2017 this will include a learning framework for the period to 2021 including key learning questions to be addressed in this period.

**5.3 ORGANISATION AND STRUCTURE**
We will have a unified, decentralised organisation with at least six (and up to ten) country offices, strong brand values and motivated staff working efficiently and professionally to deliver measurable results by 2021. This will be built on:

• Continued decentralisation, with at least one country a fully independent organisation linked to us through governance and contractual ties.
• At least one (and up to four) new focus countries added.
• Continued fine-tuning of our financial model to make it competitive and cost-covering. IRC’s business model will be written up in a stand-alone document in 2017.
• A strong and financially independent IRC Consult with a clearly articulated business model (developed during 2017) and own identity.
• Strong and integrated financial management systems – capable of supporting (semi-) independent business units and our internal market.
• A refreshed brand reflecting our new strategy and the Agenda for Change to be developed in 2017/18.
• A strong, confident and world-class staff supported by a flexible and attractive human resources strategy to be developed in 2017.
• An expected increase in the number of staff size 70 in 2017 to approximately 100 people by 2021 with the majority being nationals employed in country programmes (striving for a HQ : country programmes ratio of 1:3).
• A capacity development and talent management strategy to be developed in 2017/18.

5.4 FUNDRAISING AND BUSINESS DEVELOPMENT

Our Strategic Partnerships department, responsible for fundraising and business development, will ensure that we get the estimated €58 million required to deliver our programme until 2021, by securing annual fundraising of at least €13 million per year by 2021. This means:
• Although our main funding strategy will be one of strategic opportunism, the emphasis will be on securing funding that strongly contributes to our mission.
• A further diversification of our funding sources, and not being reliant on any one donor for more than 30% of the total gross revenue.
• We will strive to develop a portfolio of funding types that ideally consists of some 50–60% of programmatic funding (including unrestricted funding), 30–40% of project funding and up to 10% through advisory assignments (IRC Consult).
• We will reach out to ‘new’ funding landscapes – particularly USA-based philanthropies.
• The proactive development of a strong network of supportive philanthropic donors.
• A gradual increase in the independent role of country business units in securing funding for their own respective programmes.

5.5 FINANCES

The target for total turnover in the five-year period is €58 million, a modest increase from the €51 million in the previous business plan. The table below shows the annual target, specified per funding type, as well as how much is currently contracted.

From the total target of €58 million, €23 million (40%) has been contracted at the time of writing (March, 2017), with a further €4.8 million under negotiation and expected to be contracted by May 2017 (i.e., 48% of the total target already secured). This would mean an average annual fundraising target of €7.5 million to fill the gap, which is considered realistic in relation to previous years.

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>€ 1,000</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total funding ambitions</td>
<td>10,000</td>
<td>11,000</td>
<td>11,500</td>
<td>12,500</td>
<td>13,000</td>
<td>58,000</td>
</tr>
<tr>
<td>Contracted as per December 2016</td>
<td>8,500</td>
<td>4,900</td>
<td>4,700</td>
<td>4,300</td>
<td>800</td>
<td>23,200</td>
</tr>
<tr>
<td>Funding to be acquired</td>
<td>1,500</td>
<td>6,100</td>
<td>6,800</td>
<td>8,200</td>
<td>12,200</td>
<td>34,800</td>
</tr>
<tr>
<td>Target programmatic funding</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Target project funding</td>
<td>3,250</td>
<td>4,250</td>
<td>4,500</td>
<td>5,500</td>
<td>5,750</td>
<td>23,250</td>
</tr>
<tr>
<td>Target assignments through IRC Consult</td>
<td>750</td>
<td>750</td>
<td>1,000</td>
<td>1,000</td>
<td>1,250</td>
<td>4,750</td>
</tr>
<tr>
<td>Contracted programmatic funding</td>
<td>5,300</td>
<td>3,500</td>
<td>3,500</td>
<td>3,400</td>
<td>–</td>
<td>15,700</td>
</tr>
<tr>
<td>Contracted project funding</td>
<td>3,000</td>
<td>1,300</td>
<td>1,150</td>
<td>900</td>
<td>800</td>
<td>7,150</td>
</tr>
<tr>
<td>Contracted assignments</td>
<td>200</td>
<td>100</td>
<td>50</td>
<td>–</td>
<td>–</td>
<td>350</td>
</tr>
<tr>
<td>Programmatic funding to be acquired</td>
<td>700</td>
<td>2,500</td>
<td>2,500</td>
<td>2,600</td>
<td>6,000</td>
<td>14,300</td>
</tr>
<tr>
<td>Project funding to be acquired</td>
<td>250</td>
<td>2,950</td>
<td>3,350</td>
<td>4,600</td>
<td>4,950</td>
<td>16,100</td>
</tr>
<tr>
<td>Assignments to be acquired</td>
<td>550</td>
<td>650</td>
<td>950</td>
<td>1,000</td>
<td>1,250</td>
<td>4,400</td>
</tr>
</tbody>
</table>
Annexes
Annex 1
Our theory of change: district action for national and global impact

The following diagrams and text set out IRC’s theory of change. This theory of change explains how the different sets of activities carried out by IRC’s Country Programmes, International Innovation and Influencing Programme and IRC Consult will, together, ensure that we achieve our goals by 2030. It also clarifies the key assumptions underlying the theory of change.

The first diagram shows a high level overview of the entire theory of change, presenting all of IRC’s Goals, Outcomes, Intermediate Outcomes and main groups of activities in a single image. This is accompanied by a narrative. The subsequent diagrams show in more detail the theory of change at district, national and global level. Finally, the different assumptions made at each level are expanded, as well as the activities.

MAKING CHANGE HAPPEN

• We believe that universal access to Water, Sanitation and Hygiene (WASH) services can only be achieved through a strong national system working with and supporting strong local systems. It is through building these strong national and local systems that we will ensure that Sustainable Development Goal 6 is achieved and sustained.

• This is at the heart of our theory of change, and in order to make this change happen, we will identify at least one partner district in each of our focus countries. We will do this on our own or in partnership with others. We will make a firm commitment to work with and support these partner districts to find the resources necessary to achieve our shared goal of universal access. We will make sure that at least 1 million people in our partner districts have access to sustained, adequate and safe WASH services by 2030, and we will hold ourselves accountable for achieving this goal.

• Our theory of change proposes that strong national systems rely on strong national political leadership – both political and financial. This assumption is based on our experience over the last ten years. This national leadership must own, believe in, and support the vision of universal access by 2030. Advocating this vision, and then supporting our partner governments in providing the necessary leadership is therefore central to achieving our goal.

• This theory of change encapsulates our role. It contains the actions we intend to take at district, national and global level, to support the achievement of this vision. Our experience tells us that the best way to move towards universal access is from within districts (or ‘decentralised administrative units’). We believe that this is the best level at which to model behavior, test approaches and identify solutions. Yet success at a district level is not enough. District level work must feed into, and be supported by, national level activities. This involves building a strong partnership dedicated to achieving the vision of universal access, and supporting the creation or strengthening of the necessary building blocks of strong local and national systems.

• Achieving universal access calls for collective action by a broad movement of government, civil society, private sector service providers, financiers, academia and others. The existence and willingness of these partners to take part in collective action...
is a key assumption of our theory of change. Our unique contributions to this movement are our skills as a change-hub for collective action. We bring broad process-skills such as advocacy, knowledge management, convening, communications, action research, and training, as well as sector specific knowledge on financing, monitoring, asset management, planning and budgeting.

- Another of the key assumptions embedded in our theory of change is of “good enough governance”. This means that there is both a welcoming political environment and a minimum level of capacity and openness to experimentation and learning in the districts and countries where we work. Our approach is not suited to, or intended for, emergency situations.

- The ultimate indicators for our theory of change are stronger systems and improved access to services in partner districts. We will measure the progress we make and monitor outcome level change. We’ll do this in partner districts and at a national level, using a results framework tied to our theory of change. We will also make sure these results are not just limited to our partner districts, but are taken up by others and contribute to a broader national movement for universal access.

STRONG NATIONAL SYSTEMS

- Our theory of change is based on a belief that reliable and sustained WASH services must be delivered by strong and competent national systems.

- Systems are the networks of people, organisations, institutions and resources (the “actors” and “factors”) necessary to deliver services. They include both hardware and software; management and governance. They are often grouped into key sub-systems, that we refer to as ‘building blocks’.

- Our approach is based on a conceptual understanding of complex systems theory (theory that describes how systems made of networks of multiple players, each following their own interests, can be engaged to deliver desired outcomes). It’s also grounded in the practical business of identifying and strengthening the necessary sub-systems (‘building blocks’) to deliver effective services. Some of the most important among these include:

  - **Institutional systems**: these define which organisations are responsible for what function in the sector; the degree of separation between those functions; the capacity those organisations have to fulfil their roles; and the rules that bind them.

  - **Service delivery models**: these provide detailed descriptions of the ways in which services can be delivered to different market segments (self-supply, community management, utility provision etc.).

  - **Monitoring systems**: these monitor WASH service delivery, and include the ICT platforms, indicators and algorithms used; the processes for monitoring and reporting; the institutional roles around monitoring; and the mechanisms for using monitoring data for different purposes.

  - **Water resources management systems**: these systems control how water is allocated to sectors; the way conflicts and cooperation between sectors are addressed; and the way pollution is managed.

  - **Financial systems**: these are mechanisms for forecasting and projecting the costs of WASH service delivery; for allocating responsibility for cost recovery; and for identifying and channeling finance to the sector.

  - **Planning and budgeting systems**: these ensure that long-term visions of universal access are broken down into manageable annual plans for activities, and act as the link between plans and finance.

  - **Regulatory systems**: these set and enforce standards (service levels) and tariffs; the mechanism through which those are controlled; and the measures to ensure compliance and accountability.

  - **Procurement and project delivery systems**: these control how capital investment project cycles are defined and standardised.

  - **Asset management systems**: these define who owns and who is responsible for assets; who is responsible for asset management; and the way asset inventories are carried out.

  - **Learning and knowledge sharing systems**: these provide the platforms for learning and sharing and the mechanisms which lead to adaption of policy or practice.

- Many of these building blocks overlap, and each one’s importance to service delivery can change according to time or context. But we must remember what is central to any kind of systems thinking: for any service to be delivered, ALL the building blocks must be present and working, at least to a minimum level.
Intermediate outcome D1: Strong district partnership
Partnership of IRC, local government, private sector, NGOs and community groups have shared vision and theory of change and are working effectively together to deliver it

Outcome D5: District political & financial commitment
Political leadership in districts is committed to achieving and maintaining SDG 6 including through adequate allocation of financial resources

Outcome D2: Strong district systems
Sub-systems (building blocks) in the district are at the level required to provide services to all

Outcome D6: SDG 6 in focus districts
District systems are providing (at least) basic WASH services to all citizens with clear indications that these are sustainable

Outcomes
- Progress maintained/no-shocks
- Space to experiment
- District action research

District level ToC

*Note on roadmap activities: IRC and Agenda for Change partners are developing a “roadmap” to guide the strengthening of local and national systems. This structured set of activities is intended to build all the required sub-systems (building blocks) to the level necessary to deliver services.
National Goal: National achievement of SDG 6
Adequate, equitable, sustained and safe water, sanitation and hygiene services for everyone

Outcome N1: National political and financial commitment
Sustained political commitment is demonstrated from the highest executive levels (including Ministry of Finance) and leads to adequate allocations of financial resources

Outcome N2: National capacity
Capacity exists in the country (private, public and civil society) and is being used to deliver services

Outcome N3: National models
Appropriate models exist and are used across the range of contexts in the country and are supported by policy, legislation and regulation

Intermediate outcome N1: Strong national partnership
Strong national Agenda for Change partnership acts as a movement driving political buy in, replication and adoption of successes at district level

National advocacy activities
Credibility of IRC

National policy environment
Responsive policy environment

Adequate resources
Adequate resources
Adequate resources

National capacity building
Documentation and sharing

Adequate, equitable, sustained and safe water, sanitation and hygiene services for everyone

Documented and shared
Global Goal: Worldwide achievement of SDG 6 by 2030
Adequate, equitable, sustained water, sanitation and hygiene services for everyone

Outcome G1
Global political and financial commitment
Highest executive levels of national Government (including Ministers of Finance), and development partners demonstrate high and sustained political and financial commitment to WASH systems strengthening for SDG 6

Outcome G2
Global capacity
Main development agencies create and apply the capacity to strengthen national and local systems

Outcome G3
Global models
An appropriate range of models for sustained, universal sanitation and hygiene behaviours and services exist, are well documented and are being used in broad range of differing global contexts

IRC access and standing
Global advocacy activities
Adequate resources
Consultancy activities
Global documentation and dissemination activities
Theory of Change legend

- **Global or national level goals**
  The end goals to which all IRC activities, outputs and outcomes contribute.

- **National or global level outcomes**
  IRC makes a significant contribution to these. Because of reliance on the actions of others, direct attribution is also not really possible here.

- **District level outcomes**
  Achievement of these can be largely attributed to IRC interventions, however will also require contributions from others. Red outline indicates the most important outcomes for measuring impact.

- **Intermediate outcomes (district and national)**
  Under the direct control of the programme. Success / failure can be clearly attributed to programme. A key level for measuring effectiveness and efficiency of programme activities.

- **Activities**
  In practice, these are sets of activities grouped together for convenience and because of their fairly direct linkage to an intermediate outcome or outcome.

- **Assumptions**
  For a given output or outcome to give rise to another outcome or goal – these assumptions have to hold true (or be made to become true). Assumptions are an important level for monitoring.
Assumptions

DISTRICT LEVEL ASSUMPTIONS

- **Willing and able partners:** The heart of collective action is partnership. Success at the district level will depend on our ability to bring together and maintain a strong and broad district-level partnership over an extended period of time (5 to 15 years), with the aim of achieving SDG 6. Within our focus districts there must be partners (local government, civil society, NGOs, and local private sector) who are willing to engage with us in collective action. It is also essential that the minimum capacity exists – although this can be built over time.

- **Complementary activities:** Our theory of change assumes that our primary role is acting as a district hub supporting a partnership. In addition we also bring skills in strengthening key building blocks (e.g. monitoring). Successfully strengthening systems and providing services is dependent on our activities, but also those of other players within the district partnership. The government, the private sector, and NGOs all have roles to play in providing services over time whether it be the construction of new facilities or the maintenance of existing service provision. This assumption is influenced by other outcomes such as political leadership, the availability of finance, sufficient capacity etc. It is kept as a separate assumption because of its central position in the theory of change.

- **Sufficient human and financial resources:** We will complete a range of capacity-building activities for district level players. Typically this will mean building the capacity of individuals and organisations within the district. Districts that simply lack the feet on the ground will struggle to advance. In order for capacity building to be effective, key positions must be identified and filled, and the people filling those positions must have the necessary resources to carry out their work.

- **Space to experiment:** Being able to test innovative approaches at the district level is at the heart of our approach. We will assume that a broad coalition of partners will be able to test different approaches to achieving SDG 6, and the willingness of district (and national) authorities to allow us to do this in a “learning mode” is essential. This will also include being able to test approaches that may not fall within current regulatory or policy boundaries.

- **Progress maintained/ no-shocks:** In order to move from Outcome D2 to Outcome D1 there must be steady and accelerating progress over a number of years. This means that there should be no significant external shocks that would disrupt service delivery systems.

- **“Good enough” governance:** Before generating political buy-in, and using it to access the necessary new or existing financing, it is essential that there is a functional polity (organised political community) at the district level and some source (existing or potential) of discretionary finance. In practice, what “good enough governance” means is that districts with major political instability, or a complete lack of access to discretionary financing are not well suited to providing proof of concept.

NATIONAL LEVEL ASSUMPTIONS

- **Our credibility:** We must be seen as a strong and credible national level partner in order to effectively lead or provide strong support to a national change agenda aimed at SDG 6.

- **Political stability and financial resources:** Relative political stability is essential for what we want to achieve: the development and eventual leadership of a movement capable of delivering sustainable WASH services nationwide. Long-term success requires sufficient existing, or potential, financial resources in order to put appropriate models into action.

- **Adequate human resources:** It’s essential that there are enough people at national level (even more so than at the district level), who can take up and replicate the successes from the focus districts. This assumption is strongly linked to national level political commitment – and can be influenced by lobbying and advocacy efforts.

- **Responsive policy environment:** District level activities will identify new (or adjusted) models. Taking these to a national level will often mean a change to existing policy or regulation. It is essential that a reasonably adaptive and flexible policy environment exists to allow lessons learned from districts to be built into national policy, regulations and legislative frameworks.
GLOBAL LEVEL ASSUMPTIONS

- **Our credibility**: If we want the lessons learned in the districts and countries where we work to be taken up globally, we have to ensure that the quality and credibility of our entire programme is high. We must be able to engage at the highest levels of the global WASH discourse is essential if we are to achieve political buy-in, and to allow the leadership from our focus countries to be effectively leveraged on the international stage.
DISTRICT LEVEL ACTIVITIES

• **District change hub activities:** Maintaining a strong partnership which is dedicated to achieving SDG 6 is crucial for effective collective action and impact. This partnership is the main owner of the innovations, experiments and experiences being carried out in the district(s), and involves all the relevant champions and players (government, private sector, external agencies and civil society). This partnership plays an important part in creating a national movement.

• **Roadmap activities:** During the first five years of our theory of change, we will help district partnerships complete the initial steps of a district roadmap (see Annex 2). This roadmap, developed with the Agenda for Change, will help create the vision and activities necessary to achieve the SDG at district level. The group of activities contained within the roadmap are central to our overall theory of change and eventual success.

• **District capacity building:** The activities involved with building capacity include capacity mapping and needs assessment, on the job training, mentoring and adding the missing capacity where needed (whether in the private sector, government or civil society). Where there is a lack of local people to do the work, and no likelihood of finding them in the medium term, we may bring people in to do the work. This is acceptable as long as there is good reason to believe that either the people will be available in the future, or no longer be needed. The district roadmap and all other activities should be geared to creating capacity through on the job training etc.

• **District action learning:** Identifying and codifying the models needed for achieving SDG 6 is an essential step in filling local knowledge gaps around appropriate local interventions. These activities revolve around: identifying (from literature, experience in other or different parts of the country etc.) potential models; sharing these with district partners; selecting those which are suitable to be tested; ensuring that testing takes place in a rigorous manner where success or failure can be clearly assessed; and documenting the lessons learned and the eventual changes. The ‘model’ is a whole package that can be used in similar settings elsewhere.

• **District advocacy:** Advocacy will focus on promoting the feasibility of achieving SDG 6 and the changes and practices necessary. It will be built around champions who exist within formal and informal structures at community and district level. It will be based on the identification of power and influence structures within focus districts and the development of strategies to engage with these over time. These activities will include engaging with civil society groups as well as the more formal district and traditional authorities. Evidence from pilot activities will be shared in appropriate formats to support the champions in spreading the message that SDG 6 is achievable at district level.
NATIONAL LEVEL ACTIVITIES

- **National change hub**: It is vital to maintain a strong partnership/movement which takes the lessons learned at the district level to the national level. The activities include a broad range of 'process'-related actions which are focussed on networking and bringing people together. The change hub will be responsible for other national level activities such as advocacy, capacity building, documentation and sharing.

- **National (evidence-based) advocacy**: We will contribute to evidence-based lobbying and advocacy activities at the national level with our Agenda for Change partners. These activities will be built on identifying and supporting a core of highly influential champions for SDG 6. These will include district level champions with sufficient standing to be effective at the national level. The heart of this work is generating political and financial buy-in to achieve SDG 6, and taking up and replicating the successes identified in our focus districts. An important part of this work will be to identify and solve policy, legislative, regulatory, financial and other resource-related blockages, to effectively upscale the solutions identified in our pilot districts.

- **National capacity building**: We will offer support to national-level capacity building activities by providing technical assistance. Leadership must come from national government to successfully implement national capacity development processes.

- **Documentation and sharing**: These activities relate to effectively documenting and disseminating the details of the models developed in our own, and the Agenda for Change focus districts (in the form of briefing notes, guidelines etc.). Where possible it will also be used to help and encourage people to document the lessons being learned more generally in the country.

GLOBAL LEVEL ACTIVITIES

- **Global advocacy**: We will carry out global-level policy advocacy in support of our broader aims and objectives. This will include, but not be limited to, continued advocacy for: a service delivery approach; public finance and life-cycle costing; strengthening of national systems generally, and national monitoring systems specifically; and multiple-use and WASH outside the home.

- **Global dissemination**: We will continue to support and encourage the global dissemination of our own and others’ learning. We will do this through our digital-first policy as well as occasional hard-copy publications, and through our support to global meetings.
Annex 2
Agenda for Change: district roadmap and national building blocks

IRC and Agenda for Change partners are developing a “roadmap” to guide the strengthening of local and national systems. This structured set of activities is intended to build all the required sub-systems (building blocks) to the level necessary to deliver services.
Visiting address
Bezuidenhoutseweg 2
2594 AV The Hague
The Netherlands

Postal address
P.O. Box 82327
2508 EH The Hague
The Netherlands

T +31 70 3044000
info@ircwash.org
www.ircwash.org