Think local, act local II is the second in a series of WaterAid Ethiopia written reports based on a research conducted focusing on sanitation and hygiene financing. The first report, Think local, act local, provides an understanding of local government financing of water supply. This report is thus a follow-up of the first one aimed at providing a more complete picture of WASH financing at local level through analyzing local budgets and financing mechanisms.
About WaterAid

WaterAid is an International Non-Governmental Organisation established in 1981 with a mission to overcome poverty by enabling the world’s poorest people to gain access to safe water, sanitation and hygiene education. With its vision to see a world where everyone has access to safe water currently it operates in 17 countries in Africa, Asia and the Pacific region benefiting over 10 million people so far.

WaterAid commenced work in Ethiopia in 1983 by funding small projects through the Ethiopian Red Cross Society. It established a country office in 1991 and three sub-offices in Benishangul Gumuz (BG), Oromia and Southern Nations Nationalities and People’s Region in 2004, 2005 and 2007 respectively.

WaterAid’s strategic approach is addressing not only the basic needs of communities, but also tackling root causes of the problems. For effective and sustainable changes WaterAid supports projects that focus on: the integration of water supply, sanitation and hygiene education, community management and empowerment, use of technologies appropriate to local conditions – affordable and easy to maintain, linkage with governments, cross-cutting issues such as gender, HIV/AIDS and social accountability, and 100% sanitation coverage approach. WaterAid also encourages innovation, learning and documentation to improve the impact and sustainability of interventions, as well as promoting greater advocacy capacity through partnership and alliances.

WaterAid Ethiopia currently provides funding and technical support to implementing local non governmental organizations. WaterAid Ethiopia also works directly on capacity building and policy dialogue with a number of woreda and regional governments, along with the federal ministries of water and health, providing evidence and experience to influence policies and practices at all levels. So far, more than 900,000 Ethiopians have benefited from WaterAid funded projects.
Acknowledgement

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Hygiene Promotion: refers as the soft component of sanitation that helps encourage people to create awareness to adopt safe practice of disposing the human excreta and sustaining the availability and use of available sanitary facilities, managing their environment, practicing hand washing at critical time.

Channel 1 budget - is the ‘on-budget’ and ‘on-treasury’ managed by the Federal Ministry of Finance and Economic Development (MoFED), Regional Bureaus of Finance and Economic Development (BoFEDs) and by Woreda finance offices. Channel 1 is divided into two types. Channel 1a funding refers to the general transfer of treasury funds. Channel 1b relates to specific purpose grants that are channeled directly to a sector program using a special bank account.

On-budget is the amount of money allocated to programs by the Ministry/Bureau/Office of Finance and Economic Development and is on the government plans.

On-treasury is the amount of money allocated to the programs from domestic revenue, loans and grants, and is on the government account.

Specific purpose grant is the donor money granted to specific program like WASH.

Channel 2 fund - is made available directly to sector ministry such as the Ministry of Water Resources (MoWR), then allocated down to regional bureaus such as the Bureaus of Water Resources (BoWRs) and then channeled down to Woreda sector offices such as water offices; these funds are ‘on-budget’ but not ‘on-treasury’.

Channel 3 resources - are generally transferred directly to those responsible for implementation and are often entirely ‘off-budget’ as far as MoFED is concerned.

Off-budget refers to the amount of money allocated to programs out of the government system of finance and plans.
Executive Summary

WaterAid Ethiopia conducts action research to contribute to improvements in sector financing, through analyzing local budgets, financing mechanisms and sharing. In 2008 it conducted a study which aimed at understanding how local government financing of water supply is benefitting from the decentralized policy framework. It was a case study supplemented with other previous findings. This is a follow up research focusing on sanitation and hygiene in order to provide a more complete picture of WASH financing at local level.

This research was conducted in three selected local governments - Konso (SNNPR), Tenna (Oromia) and Menge (Benishangul Gumuz) – to understand the financing mechanisms and the bottlenecks for local governments to provide sanitation and hygiene services. Local level data were collected to analyze sanitation budgets and understand the extent to which local governments are facing challenges in providing sanitation services. National policy documents were also reviewed to see how they are being assimilated in regional and local plans.

Findings from the three local governments revealed that rural sanitation financing has no clear mechanism and is neglected in the budget process because of lack of separate budget line. Ethiopia, however, signed the eThekwini declaration in 2008 to take necessary steps to improve the national sanitation program, which among other things include creating specific public sector budget line and allocating 0.5% GDP to sanitation. There is some progress in allocating donor funds to sanitation though the criteria are not clear to the public at large, for example, to the local governments. Before 2008/9, sanitation was added to the activities of the ‘Hygiene and Environmental Health’ department without attaching sufficient emphasis, but now the department is changed to ‘General Directorate for Disease Prevention and Health Promotion’, which has three sub-directorates for the urban, rural and pastoralists. This new structure appears to be more broad and anticipated to marginalize sanitation. Donor supports (sector funds) are apportioned between the sub-sectors based on guideline that directs sector financing. But, this guideline that shows as to what share of sector funds should be allocated to sanitation and hygiene is not satisfactorily cascaded down to the local governments. On the other hand, the Ethiopian Water Resources Policy (1999) states that water supply and sanitation financing should be based on established sets of criteria that incorporate relevant factors.

Sanitation and hygiene seems to have strong political support at national level, but this is found to be weak at regional level, even weaker at local government level. WASH structure is established at national level but not so at regional and local level. Sanitation is considered as minor activity under health at all levels of governments. The fact that sanitation is handled under the broader department within the health institutions made it difficult to get sufficient consideration in the budget process. Of the local governments included in this study, no one is in a position to give sanitation related data (budget and expenditure) as there is no specific unit under the health sector that is exclusively accountable for sanitation and hence is overlooked in the budget process. One commitment Ethiopia agreed to make during the eThekwini declaration was, however, to establish one principal accountable institution for sanitation that takes clear leadership to achieve national targets. In practice, the Government of Ethiopia gave official responsibility to the health sector to make possible efforts in reaching national sanitation targets, but, overlooked in terms of getting dedicated budget. This study therefore recommends the establishment of a specific unit/department under the health sector, exclusively accountable for sanitation. This shall be followed by establishing separate budget line and allocation of remarkable resources to the extent of at least 0.5% GDP to sanitation services in the country. Besides, the national guideline used to apportion donor funds between water supply, sanitation and hygiene should be popularized at local level and across all other interventions as a principle of investments in the WASH sector.

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1 Government of Ethiopia in collaboration with the EUWI and civil society organizations established WASH structure which links all sector actors. The structure has National WASH Steering Committee (NWSC) represented from State Minister of Water, Education and Health; Donor Partners; and Civil Society Organizations. National WASH Technical Team (NWTT) is represented from Department Heads from the Ministry of Water, Education and Health; Donor Partners; and Civil Society Organizations. National WASH Coordination (NWC) is represented from 3 senior experts from the line ministries and contracted staffs. Similar structures are proposed at regional and woreda levels.

2 The eThekwini Declaration was made at African Conference on Sanitation and Hygiene 2008 International Year of Sanitation from 18 to 20 February, Durban, South Africa. Ten commitments were drawn from the conference and signed.
1. Background

Local Governments should have separate department/unit under health, separate budget line, and sufficient budget to provide sanitation services and meet national targets

The national MDG target for sanitation is 58%, which is 81% for urban and 53% for rural (MoWR, 2003; MoWR, 2004). This estimate, however, varies across sources and definitions. MoFED (2005) reported that national MDG aims to increase sanitation coverage from 12 to 56%. The National Sanitation Strategy aims to reach 100% access by 2012, more ambitious compared to the MDG. The performances of these national policy targets were, however, found to be low partly due to lack of clear mechanism for local governments to assume responsibilities in the implementation process. Sanitation MDG is not localized and as a result there is no plan for local governments that shows their commitments to contribute towards the achievements of the goal. The National Sanitation Strategy provides local authorities to take precedence in the promotion of sanitation and meet the local targets. This needs to be supported by establishing separate unit/department for sanitation under health that coordinates the planning, budgeting, implementation, monitoring and evaluation processes. The health office is mandated to lead local sanitation promotion, by closely working with water, education and agriculture and rural development offices. Though the health office is making much effort to promote sanitation, it is found to give more focus on other health related responsibilities. Lack of sufficient budget for sanitation is the other most important challenge, as it has no separate budget line. To ensure changes in the behavior of the communities to have and use toilet facilities and avoid open defecation, sufficient attention needs to be given on establishing separate unit/department under health and thereby creating separate budget line for sanitation at all levels of governments.

Local government planning and budgeting does not reflect links to national and regional sanitation targets. In other words, national sanitation targets do not have detail physical and financial plans that show how local governments can take part in the implementation process. It lacks clear implementation plans and budgets. WaterAid Ethiopia believes that local governments have been given responsibilities for sanitation services and this need to be supported by allocation of sufficient resources to make the implementation of national targets effective and sufficient. Local government budget process should recognize sanitation plans (this requires developing clear mechanisms which includes: establishing separate unit/department under health; establishing separate budget line for sanitation; supporting national policy targets with clear implementation plans and budgets). The budget allocated to local governments should support local sanitation plans linked to the targets set in the National Sanitation Strategy, a universal access targets.

This report is based on the case studies undertaken in three local governments - Tenna (Oromia), Konso special woreda (SNNPR) and Menge (Benishangul-Gumuz). Tenna is located 246km East of Addis Ababa, while Konso and Menge are located, 600km south, and 743km West of Addis Ababa (the capital of Ethiopia) respectively.

The objective of this study was to create sufficient understanding on the financing mechanisms and underlying constraints for local governments to provide sanitation services.

2. Methodology

2.1 Sampling

This study is based on the data collected from three local governments, namely, Tenna from Oromia region, Konso from Southern Nations, Nationalities and People’s region and Menge from Benishangul Gumuz regional state. Access to sanitation related data is a challenge in the country in general and local governments in particular. The challenges are, among other things, emanated from the absence of clear budget line and distinct unit for sanitation. Health institutions structured across the different levels of governments are, by and large, responsible for delivering sanitation services. Within the health department sanitation is the responsibility of hygiene and environmental health department, but is considered as just one activity without attaching distinct budget line. As a result, tracking sanitation budget is known to be a difficult task. The above local governments were therefore selected with the assumption that accessing available data would be obtained at ease in local governments where WaterAid Ethiopia has active projects, as a consequence of previously established relationships and trustworthiness. Hence, the sampling technique employed for this study was the purposive sampling. The basic reasons for employing the purposive sampling technique and selecting the WaterAid Ethiopia operational areas include: (1) the highest assumption to be time efficient in collecting sanitation related data, and (2) the interest to make a follow up actions based on the findings of the research.
### 2.2 Policy Reviews

At the beginning of this research policy documents, strategies and proclamations were reviewed with the main objective of understanding policy provisions for local governments and local financing. National Sanitation Strategy, Sanitation policy within the Water Resources Management Policy, Health Policy and financial proclamations were reviewed and summarized in this document. The provisions for decentralized service delivery (functional), decentralized decision making process (fiscal plus political) were taken as core areas to compare with the practical situations.

### 2.3 Financial data collection

Initially financial data was planned to be collected from federal, selected regional and local governments. Collecting sanitation budgets from selected regions overlapped with the busy period of Business Process Re-Engineering, and the attempt made to collect data from all the three regions were not successful. Only for comparison, consolidated health budget was collected from the official MoFED website (www.mofed.gov.et), as the use of websites would be recommended in such situations.

Sanitation budgets and expenditures were collected from woreda (local government) office of finance and economic development, water resources, health, education, and non-government organizations working in that specific locality using checklists and guidelines. Budget data for the local government was collected from the budget division of the office of finance and economic development; and spending was collected from the expenditure/spending division. At service provider level, both budget and spending data were collected from the heads of sector offices such as health and water.

### 3. National and regional contexts

#### 3.1 Policies


The Universal Access Plan (2005 to 2012) developed in 2005 under the leadership of the Ministry of Water Resources and the National Sanitation and Hygiene Strategy developed in 2005 under the ownership of the Ministry of Health are the overarching policy documents.

### 3.2 Financing

#### How much of the specific purpose grants reach regions?

The cost estimated for reaching national sanitation targets was found to vary from one document to the other. According to the Financing Strategy for the Water Supply and Sanitation Sector (2007) the costs required to meet the universal sanitation targets was about ETB 8594.3 Million (equivalent to US$ 661.1 Million; at $ 1 = ETB 13) including Addis Ababa; the cost for the rural and urban sanitation being, respectively, ETB 5315.7 million (equivalent to US$ 408.9), and ETB 3278.6 Million (US$ 252.2). On the other hand, the Universal Access Program (2005 – 2012) provided the cost estimate of

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..analyzing sanitation financing...
ETB 3.34 billion; of which the rural sanitation share was 55%. The share of sanitation in the overall UAP was just 16%. Regions were, however, not fully experiencing as indicated in the program document because of many reasons, which among others include (1) the fact that UAP is not adequately assimilated in regional plans, and (2) the fact that financing systems are not well developed to accommodate prevailing challenges.

The flow of funds to the WASH sector has passed through a metamorphic growth over the past years. Until two years ago many donors used to finance the sector through the Ministry of Water Resources. This resulted in a problem of equity in sharing the resources between water and sanitation. In 2007 some WASH donors shifted from channel 2 to channel 1b with the objective of harmonizing and aligning WASH financing with the government system. At federal level there is one unit established to oversee the channel 1b funds with a team of 1 focal person & 2 accountants. This structure is, however, not available at regional level.

Fund allocations within WASH sector are challenged with diverse and interrelated factors, which among the other things include lack of equal understanding of the national guideline and/or clearly defined criteria. This was manifested by the prevailing conflicting interests between sub-sectors, and weak level of integration and coordination. BoFED, in Oromia and SNNP, had the experience of transferring WASH funds to the water bureaus. This had raised conflicting interests between the health and water bureaus. The case in Amhara is different. The Program Management Unit does the planning and budgeting, and submits to BoFED while the BoFED is making the disbursements accordingly. As a result, the bureaus of water resource, health and education are receiving their respective share to implement water, sanitation and hygiene programs in the region. It seems that developing a national guideline for allocating WASH funds between water, sanitation and hygiene is very important.

The following chart shows how much the regions get out of the specific purpose grants. The flow of channel 1b funds is illustrated using the WB/IDA and DFID WASH program funds. Chart 1 show that regions received 83% of the specific WASH funds supported by IDA/WB and DFID.

As indicated in the revised UAP, disbursement of finance to regions and local governments follows two methods. The first method is disbursing proportionally to regions and then to local governments without offsets through the coordination of the Ministry of Water Resource. The second method is disbursing finance to local governments based on their respective proportions through regional Bureau of Finance and Economic Development without offsets. Funding agreements for some donors like African Development Bank is made nationally, which requires the minimum 20% audited expenditure report before releasing the next term (uses 90%/10% ratio to apportion between water supply, sanitation and hygiene). The capacity to use and report expenditures, however, varies significantly among regions, and the agreement does not consider the difference in capacities among local governments and regions. This indicates the need for making required program financing adjustment to align with the real situation of governance under the decentralized policy framework. UNICEF and Finland supported WASH programs are financed through channel 2. UNICEF uses 30/70 ratio for allocating funds between water supply, sanitation and hygiene. But, the criteria used in apportioning donor funds between sub-sectors are not clearly known at local levels.

Chart 1. Share of regions in the WB/IDA and DFID WASH funds (a cumulative of 3 years).
How much of the block grants reach regions?

Regions are being financed through block grants allocated by the federal government which accounts for more than 80% of their total budget. This means that regional level development planning is highly dependant on the budget process at federal level. Through the block grant system regions receive smaller percentage of the national budget, but receive additional budgets through special purpose grants like food security and productive safety nets programs. Chart 2 shows that regions only receive 30% of the national budget. Block grants are usually biased to financing recurrent expenditures (salaries and running costs) while they leave insufficient resources for capital expenditures. Analysis made on the consolidated budgets (average of three years) of Oromia, Southern Nations and Nationalities Peoples and Benishangul Gumuz showed that about 80% of the regional budgets were allocated as recurrent budget, leaving only 20% for capital.

Allocation of this capital budget was found to vary across pro-poor sectors. Figure 1 shows education sector is absorbing the largest proportion of the overall capital budget allocated to pro-poor sectors.

Budget analysis and the opinion surveys conducted with health experts revealed that sanitation and hygiene is not getting any budget from this capital resource but the equivalent amount of salaries for health extension workers and sanitarians from the recurrent budget. Similarly, an opinion survey made with representatives of the Bureau of Finance and Economic Development and woreda office of Finance and Economic Development shows how much sanitation and hygiene is overlooked in the budget process owing to the absence of separate budget line.

Chart 2. Share of regional block grants in the national budget, average of the past three years

Figure 1. Percentage share of selected sectors in the total pro-poor pre-actual (capital)
**How much reaches local governments?**

Local governments are financed largely through block grant system, which accounts for more than 85% of their budget. More than 95% of this block grant is allocated to recurrent expenditures, which implies meager resources are usually left for capital expenditures (5% for all sectors).

Analysis made on the consolidated regional capital expenditures indicated that much of the health capital budgets are executed by regional bureaus, and only 26% of the capital budget flows down to local governments. Chart 3 shows the percentage share of the local governments in the regional health capital budget (aggregate capital budget for all regions). Opinion survey and budget analysis made for selected local governments witnessed that local health capital budget is allocated for construction of health posts and health centers, and none of the health capital budget is allocated for sanitation.

**4. Local budget analysis**

**Local income**

Similar to the regions, local governments are also being financed through block grant system. More than 85% of their budget comes from the regional government showing that program and/or project planning is largely dependant on the budgeting process made at regional level. However, the resources available to them are not adequate enough to cover staff salaries and running costs. As a result, they have very insufficient resources left to allocate for capital expenditures. More than 95% of the local government budget is spent on the recurrent expenses, whilst the remaining 5% is shared among the sector offices to cover the capital expenses. This confirms the previous research (WaterAid Ethiopia, 2008; World Bank, 2007) which states more than 90% of the block grant is spent on salaries and operational costs leaving few resources to reach the Millennium Development Goals for water. It implies that the amount of capital budget at local government level is not proportional to their mandates of providing basic services. The case of sanitation is the worst.

The share of block grants ranged from 87% in Tenna to 90% in Konso, the deviations in the percentage share of block grants across the local governments reflect the differences in the capacities of revenue generation. The highest share of block grant in the local budget signifies the high level of dependence of local planning on the regional level budget process. In other words, the share of domestic revenue is too small (ranging from 10% in Konso to 13% in Tenna) to initiate local planning.

Looking into the trends in local income - Tenna and Konso experienced considerable increment of income over years. The average per capita budget for the local governments increased from ETB 105.23 in 2005 to ETB 167.12 in 2008. The rate of increase however varied among the local governments. The average per capita income ranged from ETB 87 in 2005 to 186 in 2008 in Tenna; while in Konso the increase ranged between ETB 72.28 in 2005 and ETB 140.40 and between ETB 156.11 and 175.01 in Menge. Overall, the average per capita budget ranged between ETB 101.65 in Konso and ETB 164.76 in Menge.

**Chart 3. Share of local government in regional health capital budget, average of 3 years**

![Chart 3](image-url)
Channel 2 funding is not available for the selected local governments, as they are not part of their program. During the past four years, local governments included in this study didn't receive any of the sector funds as special purpose grants. The basic reason, according to the interviews made with the water and health offices, is that they are labeled as NGO intervention areas, and are given less priority by their respective regions in the selection of local governments for donor funded WASH projects. This finding confirms the results of the Joint Technical Review (JTR) team visits made in January and October 2009. Despite the labeling, there is no minimum financing package to ensure equitable investments among local governments, which helps the regions to make rational selection of local governments for implementing donor projects.

**Who is making the allocations?**
In terms of who is making the budget, this study has come up with some variability across the local governments. Different local governments have different budgeting modalities. The budget process in Tenna and Menge are found to be similar and adopt similar modalities. It starts with the review of the performance of the past six months, identifying new activities based on the development needs of the local government. This planning phase is the basic step to estimate the costs (rough estimate of budget by physical activity). On the basis of the directives from the office of finance and economic development. Based on the feedbacks received sector institutions then revise their respective budget and re-submit to the office of finance and economic development. The office then presents the revised and compiled budget to the cabinet (budget hearing) for further debate where sector heads participate - with the exception of the water office (not represented in the cabinet yet). The point of discussion here is how the health office can voice the demand for more allocations to sanitation. This is found to be impossible because sanitation has no separate budget line. Sanitation is overlooked under the broad health sector. Currently because of the absence of separate department/unit responsible for sanitation the government effort to achieve the sanitation universal access by 2012 is not much supported by the budget process.

Unlike the cases in Tenna and Menge, Konso adopted unique modality for budget process. Budget process is led by the Economic Development Team, under the office of finance and economic development. The power of giving first hand decisions on allocation of available resources among sector offices is vested within this team. Consultation with heads of the sector offices is made in case they came across with some difficulties in understanding the plan and budgets submitted. An interview made with the representative of the Economic Development Team reveals that they are not only given with the power to allocate government resources, but also to general purpose donor grants to specific activities. The budget is said to be finalized when the head of the Finance and Economic Development puts his/her signature on the budget. In terms of advocating for more budgets to sanitation, Konso special woreda also shares the same challenge. The budget process undermines sanitation when weighed against the government commitment to reaching UAP targets.

Local incomes for the three local governments were analyzed in terms of average income across years and per capita incomes. This analysis enables us to know how much the budget is affected by the size of population. Figure 2 and 3 clearly shows the effect of population on the selected local government budget. Looking into figure 2 one can observe how big the Konso budget is, compared to others. Contrary to this Menge seems to have the smallest budget. To explore whether Konso is really getting higher income the budget should be corrected for the population (refer figure 3).

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3 Under the leadership of the Ministry of Water Resources and donors, and participation from regional bureaus and non-government organizations, the JTR visit was made in January and October 2009. Results show that local governments lack minimum capacity package for WASH interventions. Local governments are labeled as WB, AfDB, UNICEF, Finland and NGO woredas, and receive different levels of supports. Selection of local governments for donor funded WASH programs is made at regional level, and local governments having NGO interventions are not considered.
Budget allocation is usually affected by many factors which among other things include population. Figure 2 indicates the nominal size of budget for the selected local governments not corrected for the population variable. By seeing this graph one can simply say Konso gets the highest budget while Menge gets the least. But, looking into figure 3, which is corrected for the population variable, one can observe the exact reverse of the fact shown in figure 2. Menge gets the highest budget while Konso gets the least. This shows that the weight attached to population in local level budget process is not that much satisfactory. Per capita budget is more powerful to indicate the level of equity in the investments across local governments. The per capita income ranged between ETB101.65 in Konso and ETB164.76 in Menge (while Tenna stands in the middle with per capita income of ETB134.79). Since the past two years the revenue generation capacity of local governments became one of the contributors to the difference in the per capita budgets. The new budget formula equates the revenue generation capacity with the expenditure requirements.

One can draw learning from the above graph that local government budgeting should take into account the size of population beside other issues.
5. Financing mechanisms

5.1 Existing Financing Channels
Like the water supply sub-sector, sanitation is expected to be financed through three channels. Channel 1 refers to the ‘on budget and on treasury’; managed by the Ministry of Finance and Economic Development. Sanitation and hygiene gets only the salary of health extension workers from channel 1a (from the block grant). Very recently, key donors shifted to finance the WASH sector through channel 1b (the World Bank/IDA; AfDB; DFID).

Channel 2 refers to the ‘on budget but not on treasury’ budget; managed by the Ministry of Health. The modes of implementation for channel 2 funds vary from donor to donor. For example, UNICEF funds are directly provided to the regional bureau of finance and economic development; managed by the bureau of water resources and bureau of health. Finland provides to regional bureau of finance and economic development; managed by the bureau of water resources at regional level and water office at local government level. Communities have also access to the Finland funds with the support from the woreda support groups. None of the local governments included in this study are getting these funds.

Channel 3 refers to the funds provided by the non-government organizations; completely off-budget and is managed by the non-government organizations themselves or local service providers. Local governments included in this study have such interventions where WaterAid Ethiopia is making the larger investment in the WASH sector.

5.2 Problems with Financing Channels - Local Government Level

Small in size - channel 1a
Challenges with the existing financing mechanisms are indicated in the Table underneath. Channel 1a represents government system and its own treasury referring to block grants and domestic revenue. Allocations of budget under this channel face two challenges. One is the meager resource available for capital expenditure (more than 95% being allocated to recurrent expense). Secondly, sanitation has no separate budget line that guarantees allocation of funds during the budget process. Absence of separate department/unit for sanitation can be the basic reason for lack of clear budget line. Absence of clear budget line caused sanitation to be overlooked in local budgeting, competing with many other activities under the health sector.

Predictability – channel 1b and 2
The absence of separate budget line coupled with lack of separate department/unit for sanitation can also affect proper allocation of channel 1b funds. Brief analysis made on the UAP budget estimates and WB-DFID WASH funds indicated that the proportion going into sanitation and hygiene is found to be less than 3%, which implies more than 97% is allocated to water supply. Local governments included in this study do not have enough information on the predictability of channel 1b and 2 funds in terms of time and size. This is in conformity with the JTR reports of the January and October 2009. The revision of Program Implementation Manual is in progress that can help to address some of the challenges provided that it will be properly disseminated at all levels. The financial management manual is either not available or not known to local governments. This affects the transfer and use of the funds as planned. Also, regions do not have clear information on how the channel 1b funds should be allocated between water supply, sanitation and hygiene.

Guideline for fund allocation – channel 2
Few donors provide financial support directly for sectors (channel 2). UNICEF and Finland finance water supply and sanitation. UNICEF adopted the 30/70 ratio to allocate the funds between sanitation and water supply. Finland uses a different approach. African Development Bank uses the 10/90 ration. The World Bank and DFID funds do give procedures on how it should be apportioned between water supply and sanitation. Service providers or implementing agencies do not have enough information on the predictability of the funds both in terms of time and size. The Ethiopian Water Resources Management Policy (1999) however states the need for establishing sets of criteria to support financing of water supply and sanitation.

Integration, harmonization, alignment
Civil society organizations are investing substantial amounts of resources in the WASH sector, but not well taken up in the performance reports. The investments are made directly by non-government organizations and report their performances to the local governments. NGOs share their projects and plans with the local governments but usually overlooked in terms of integration, harmonization and alignment due to lack of bylaws or binding policy documents. NGOs such as WaterAid Ethiopia, however, have good experience in working with the local governments. It engages relevant government offices from the baseline study and throughout the project period. Regions are also enabled to engage in the implementation of the project by assigning seconded persons where WaterAid Ethiopia provides the necessary technical and financial supports. Besides, WaterAid Ethiopia facilitates the implementation of WASH structures in its operational areas and works to create capacities in the areas with the objective of ensuring integration of physical activities; harmonization of finances and alignment with one agreed system.
Think local, act local II…

The government is financing the construction of model and institutional latrines, and the promotion parts of the work. The following summarizes the fragmented finances going into sanitation.

### a) Channel 1 – On Treasury and on Budget

From the government treasury, the size of finance going into sanitation is insignificant. It covers only salaries of health extension workers and environmental health promoters that are also mandated to perform other health related activities. The time they spend on sanitation promotion is not clearly known. During the past four years, on average, Tenna allocated ETB178,752 to health extension workers and sanitarians to carryout sanitation related activities at village level, whilst Menge and Konso allocated ETB47,376 and ETB596,040, respectively. Figure 4 shows four years average sanitation budget for selected local governments.

The figure below witnesses the existence of significant difference in the size of local governments average estimated sanitation budgets. The divergence in the size of budget is due to the inequality in the number of health extension workers.

<table>
<thead>
<tr>
<th>Channels</th>
<th>Type</th>
<th>Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Channel 1a</td>
<td>Government; on budget and on treasury; managed by ministry of finance and economic development</td>
<td>Sanitation is overlooked in the local budget process due to lack of separate budget line; as a result has no sufficient budget</td>
</tr>
<tr>
<td>Channel 1b</td>
<td>Donor funds; on-budget &amp; on treasury; managed by ministry of finance and economic development</td>
<td>Big in size; but lack clear understanding on how it can be allocated between water supply, sanitation and hygiene; FMM not known by WoFED; delay in the release of funds; lack of predictability in time and size</td>
</tr>
<tr>
<td>Channel 2</td>
<td>Donor funds; could be on or off treasury; managed by sector ministry or bureau</td>
<td>Large in volume; but lacks clear understanding on how it can be allocated between water, sanitation and hygiene; parallel system of finance</td>
</tr>
<tr>
<td>Channel 3</td>
<td>NGO and small donor funds; completely off-budget; being managed by the service providers or NGOs themselves.</td>
<td>Big investment; but not sufficiently owned by the government in terms of reporting performances; parallel system of finance; not adequately integrated and aligned with local plans</td>
</tr>
</tbody>
</table>

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**How much is allocated to sanitation (at local government level)?**

Household sanitation facilities are being implemented through local campaigns organized by administrators and health offices. In some local governments the campaign is linked to other development programs like productive safety nets and food security. In areas where non-government organizations are operating a large proportion of finance for sanitation is coming from them, but these are available to a limited number of local governments. The amount going into sanitation from the treasury is limited to salaries of health extension workers and environmental health promoters. Data on the time these workers spend on sanitation promotion is not available, and hence, the whole salaries are taken for analysis across the board to avoid unnecessary variations. Very recently the Government introduced self-supply of WASH services including sanitation facilities. In this mode of operation, households are expected to cover their respective costs of construction for the latrines. The following summary illustrates the fragmented finances going into sanitation.
workers and environmental health promoters deployed by local governments in terms of the number of kebeles, and/or the size of population (Konso is about 5 times the population of Menge and 3 times the population of Tenna, while that of Tenna is 2 times the population of Menge). The number of health extension workers in Menge is very low compared to the other two local governments largely due to scarcity of educated women. Konso is found to deploy higher number of health extension workers because it has a large number of kebeles that need to be covered compared to Tenna and Menge.

**Per capita budget**

Figure 5 indicates the average per capita sanitation budget for selected local governments.

Unlike figure 4 it doesn’t reflect that much on the difference between per capita allocations, for example, between Konso and Tenna. In other words, when corrected for population, Konso and Tenna are found to allocate equal budgets for sanitation. The equality for budget emanates from the fact that both local governments allocate budget only for salaries of the health extension workers and environmental health promoters, and these salaries are governed by Federal Civil Service Agency. The per capita allocation for sanitation is found to be very low in Menge (ETB 1.2), followed by Tenna (ETB2.7) and Konso (ETB2.8). The low per capita budget for sanitation could be due to various reasons, which among others include the less number of health extension workers and environmental health promoters deployed by Menge against the size of population. This low number of health extension workers in Menge is due to scarcity of educated women.

**Percentage share**

Figure 6 shows the percentage share of sanitation in the total local government budget. This percentage share was found to range between 0.7% in Menge and 2.7% in Konso. The less than 3% share of sanitation budget signifies the less priority given to sanitation. It takes similar pattern with the results of the per capita budget analysis. As it can be observed from the following figure there are significant differences in the percentages of sanitation budget across the study areas. The good example here is the disparity between the share of sanitation in Menge (0.7%) and Konso (2.7%). The underlying reasons would be the significant variation in the number of health extension workers and environmental health promoters deployed across kebeles and the inequality in the availability of educated women across the study areas.

**Figure 5.** Per capita sanitation budget for selected local governments
b) Channel 1b – the new account for pooled WASH Funds
Channel 1b funds are allocated to selected local governments using equity formula (refers to local governments where DFID, World Bank and African Development Bank have active programs). About 204 local governments are included in the World Bank and DFID WASH programs, while an additional 125 are included under the African Development Bank WASH program. From the local governments included in this study Konso and Tenna are among those categorized under African Development Bank WASH program. The African Development Bank program has had major implementation challenges, and both local governments reported that they received only the first installment but no additional funds till January 2009 (the program period is being expired without any substantial release of the remaining funds). This is in conformity with the JTR report of January 2009. Channel 1b is a new model of financing WASH programs which is under test, and hence, it deserves close follow up by MoFED and donors contributing to the pool fund. The revised UAP (2009) calls for local governments to allocate capital budget for the program and enhance accelerated implementation to meet the targets. Local governments included under the WASH program are expected to receive their respective share through regional BoFED without offsetting. But, in practice local governments do not have sufficient resources to take up their capital expenditure assignments. Further, local governments included in this study have no enough information on how much and when they expect to receive the remaining funds for their WASH programs (predictability in terms of time and size of funds is not clearly understood).

c) Channel 2 – On budget but not on treasury funds
Channel 2 funds include funds coming from UNICEF and Finland. The UNICEF WASH program supports about 102 local governments. Local governments included in this specific study are not categorized under programs financed through channel 2. But, other international NGOs like ORBIS International supported Konso health office to construct communal and institutional latrines with ETB200,914; and WaterAid Ethiopia supported Menge health office to construct institutional latrine with ETB103,000. This addresses the possibility of aligning NGO financing with the local governments. It can be considered as the best practice for civil society organizations to harmonize and align sector financing with the government system.

d) Channel 3 – Off-Budget Funds
A channel 3 fund by its very nature is not linked to local budgeting systems. It is completely off-budget, and is directly implemented by service providers, including non-government organizations (NGO). This fund, in terms of size, in the NGO operational areas, is large. During the past four years, the percentage share of channel 3 fund in the total local sanitation budget ranged between 37% (in Konso) and 88% (in Menge), the average share being 61%. WaterAid Ethiopia operates in all selected local governments, while Ethiopian
Orthodox Church DICAC (financed by Intermon Oxfam) operates in Tenna while Oxfam GB operates in Menge. Save the Children Finland, Konso Development Association and CISS (Italian based local NGO) operate in Konso. Figure 7 compares the total sanitation off-budgets in the selected local governments.

The sizes of off-budget investments were found to vary among local governments because of the difference in the size of budgets allocated to sanitation and hygiene by non-government organizations. It was high in Menge followed by Konso and Tenna. This disparity reveals the extent to which local governments depend on the off-budget investments to provide sanitation services. In the study areas, WaterAid Ethiopia is the largest financer of sanitation and hygiene.

**Total Average Sanitation Budget**

Figure 8 shows the percentage share of different sources of sanitation finance in the total local sanitation budget. The share of local government budget was found to be high in Konso (43%) while it was less than 6% in the other two local governments. The highest percentage share of sanitation off-budget was observed in Menge (88%) followed by Tenna (58%) and Konso (37%). The largest donor sanitation fund was recorded in Tenna (38%) followed by Konso (19%). Tenna and Konso received the first installment from the African Development Bank WASH funds that was reflected in the analysis. The percentage share of donor funds flowing into sanitation would have been higher provided that they would have received the next installments.

The figure also shows the extent to which local governments are heavily depending on the external sources to provide sanitation services. For example, Tenna allocated only 4% of the total sanitation budgets during the past four years while it depended on external sources for remaining balance (96%). In Menge about 94% of the total sanitation budget is secured from external sources while only 6% was allocated from the treasury. The other most important thing to note here is the need to coordinate and harmonize sanitation investments at local levels to improve the efficiency and effectiveness. One alternative way to coordinate and harmonize these resources would be by developing and agreeing on 'one WASH plan' which can be used as a reference against the performance monitoring.

**Figure 7. Sanitation off-budget in selected local governments, 4-year average**

**Figure 8. Share of local government, civil society and donors in the total local sanitation budget**
5.3 Adequacy of Local Sanitation Budget

Channel 1a – Government System
Local governments are largely financed through block grants which accounts for more than 85%, a large percentage of which is spent on recurrent expenses. This study assumes the salary allocated to health extension workers as sanitation budget. The budget process doesn’t recognize sanitation as it has no separate budget line. As a result, the health office has no operating budget to monitor the health extension workers. This reflects the inadequacy of the sanitation budget coming through channel 1a.

Channel 1b – Pooled WASH Fund
This refers to the pooled WASH funds from the World Bank, DFID and African Development Bank (AfDB). About 326 local governments are included in this program. Tenna and Konso are included in the AfDB WASH program. For those local governments included in the pooled WASH program adequacy of finance may not be the issue, but the problems associated with the delay in the release of funds. In case of the AfDB program, a delay in the release of funds is largely associated with the provisions of the funding agreement. Local governments need to be capacitated in managing the financial utilization and effectively implementing the program, with the minimum technical support from the regions.

Channel 2 – On-budget but not on-treasury
Sector funds and/or channel 2 funds refers to UNICEF and Finland WASH funds. UNICEF is supporting about 125 local governments in the country tough there is a need to set a minimum finance required at local government level to provide sanitation and hygiene services. For local governments included under the UNICEF and Finland WASH program, adequacy may not be a challenge, but rather the predictability (in time and size) and delay in the release of funds. This channel uses a parallel system of financing and implementation modality compared to channel 1b.

Channel 3 - Off-Budgets
The size of off-budget investments in sanitation and hygiene sub-sector was found to vary among the local governments. Some local governments enjoy sufficient finance while others face shortages. This implies the probability for some local governments to face inadequacy of finance to provide sanitation and hygiene services. Such disparities can be addressed by setting local government minimum capacity package that include the minimum finance required to provide sanitation and hygiene services. The most important point to note here is the added value of off-budget investments in addressing the poorest and marginalized communities. Non-government organizations operate in areas where WASH services are given less emphasis and less prioritized in budget decisions.

This channel uses a parallel system of financing and implementation modalities compared to channel 1b, but the sector is moving to the concept of ‘one WASH plan’. In fact non-government organizations share their project details and performance reports with local governments. Nevertheless, local government plans and budgets seldom reflect the plans and budgets of non-government organizations. This eventually undermines the added values of off-budget investments and fails to give a true picture of the investments and outcomes in a given area.

5.4 Coordination of Sanitation Investments
At a higher, theoretical level, it is easy for sector actors to agree on vision and mission statements as well as major goals and targets. However, the challenge lay on how the mission statements are being translated into action. It seems that all stakeholders have the interest to integrate activities, harmonize finances and align with an agreed working system, but this does not seem to be the practice. The plan available with the local governments does not show clear target and how the plan is going to be translated into action. Each office has its own separate plan but lacks woreda-wide or joint sector strategic plan, which enables all stakeholders to work closely and pool their resources to achieve sector objectives. When it comes to sanitation it is superimposed within the health plan, and this created difficulty in sufficiently coordinating with that of water supply. Coordination of resources in a given local government can also be achieved through, for example, sharing kebeles and work towards enhancing local government WASH coverage. In two of the selected local governments (Tena and Konso) there was one WASH plan developed by the woreda support group, under the African Development Bank WASH program support, but not owned by sector offices, and is with inflated costs. During the study the plan was not being used to coordinate local initiatives as it is not known by sector offices and not approved by the cabinet. There is no such plan in Menge local government.

The Memorandum of Understanding (MoU) was signed among the Ministries and among the Bureaus of Water Resources, Health and Education in 2006 to be used as an agreed mechanism for WASH coordination at all levels of
governments, but not yet signed at local government level. It is not effectively serving the purpose as it has no binding legal provisions that clearly show accountability relationships. There are, however, progresses in establishing the WASH coordination offices at federal, regional and woreda levels where there are active donor supported WASH programs, is supporting about 125 local governments in the country. Though there is a need to set a minimum finance required at local government level to provide sanitation and hygiene services. For local governments included under the UNICEF and Finland WASH program, adequacy may not be a challenge, but rather the predictability (in time and size) and delay in the release of funds. This channel uses a parallel system of financing and implementation modality compared to channel 1b.

Recent developments in sector coordination are highlighted below

- The Multi-Stakeholder Forum (MSF3) held at Hawassa from 15 to 16 October 2009 has come up with the need to have ‘one WASH plan and report’. How to make this happen is the top agenda among key sector actors including government, donors and civil society organizations. Though it disregards the contributions of civil society organizations and the performances on sanitation and hygiene, one WASH report was produced and presented at the MSF3. One comprehensive sector report is expected during the next MSF. To fill the gap, under the leadership of Water and Sanitation Forum, and financial and technical support from WaterAid Ethiopia, civil society organizations working on the sector are progressing to produce ‘one CSO report’.

- National WASH Inventory is to be rolled out. The inventory format has three steps. Inventory format step-1 covers the minimal WASH characteristics per kebele (functionality, use, and water safety), with the first priority to establish a complete Woreda ‘Inventory baseline’. Inventory format step-2 is a detail annual inventory including sanitary surveillance scores and GPS. Local governments with greater capacity or with direct assistance can immediately proceed to this step. Step-3 is the ‘Technical Inventory’ which will be carried out every 3 to 5 years. Technical inventory collects and updates technical information on the performance of water facility, carried out by Woreda WASH Coordination Team to (1) verify the WASHCOM and HEWs self-reported data, and (2) gather more detail technical parameters on each scheme.

- Local Investment Grants (LIG) was designed by the government and the World Bank to address the capital budget shortages at local government level that can be allocated based on local demand. During the 2009/10 about 40 local governments are piloted to implement Local Investment Grants.
disbursements. On the eThekwini declaration, however, the Government of Ethiopia signed to implement the commitments agreed that include establishing separate public budget line for sanitation, but this is not the practice. The declaration also assumes the countries to allocate 0.5% of their GDP to sanitation, but no systematically organized data is available on national sanitation budget to measure the progress against the commitments.

Sector actors need to discuss on how the channel 2 and 3 financing modalities need to be harmonized and aligned with the new sector initiatives. Good sanitation progress was recorded in local governments included in the NGO WASH programs. WaterAid Ethiopia started to support local governments to enable them develop their skills and have ‘one WASH plan’, which can be taken as a good practice.

Sustainability

Rural sanitation facilities – construction of toilets – are the responsibility of households. Government and non-government organizations are responsible to develop and promote model latrines, which meet national standards. As open defecation is still prevalent in most rural communities, there is a challenge to bring about behavioral change among rural community on the use of toilets. Addressing these challenges require an independent unit that will be responsible to bring the necessary changes, and influence allocation of sufficient budgets to sanitation. So far local governments allocated salary budgets to deploy health extension workers and environmental hygiene promoters to kebeles. Data on the time these workers spend their time on sanitation promotion is not adequately available signifying the importance of having separate unit. But, this is not sufficient to bring required changes

continued next page
and make it sustainable. Local government should go further to open separate unit for sanitation under health office and allocate sufficient budgets essential to reach local targets.

Sustainability of sanitation facilities is threatened by poor behavioral changes of the communities, and technology choices. Behavioral changes, which will come about by strong promotions, are central to bring about sustainability. Local governments should allocate sufficient budgets to promote sanitation using appropriate methods, as knowledge has strong association with changes in the behavior of communities. Adopting the right technology option, supported by local experts, is important to keep sustainable use of latrines. Technology choice depends on the availability of standard designs that can be affordable and manageable by the users. Capacitating local latrine artisans and establishing local supply chains is commendable.

**Equity**

The practice of local governments to ensure equity of sanitation investments is manifested by assigning two health extension workers per Kebele. This being the first step towards addressing equity more support is needed to make them efficient and effective in terms of time and quality. Regular monitoring of the performances of the sanitation and hygiene with pre-defined indicators on behavioral changes is essential. Local governments need to show their commitment by establishing separate unit for sanitation and hygiene that is responsible to ensure equity of investments and by allocating the required budgets. Budget allocations to construct model latrines, promote toilet use and safe hygienic practices need to address equity among the kebeles.

**Capacity**

Under current circumstances it is difficult to say that local governments have the capacity to take full responsibility in the promotion and demonstration of better sanitation practices mainly because of two reasons. Firstly, there is no minimum standard to say that local governments have or do not have capacity. Secondly, Local governments are not able to allocate budget to monitor and support the health extension workers and environmental health promoters. This implies the need for minimum capacity package that can be used as a yardstick against which local government capacity will be measured.

**Accountability**

Downward and upward accountabilities are weak especially at local government level because of lack of clear mechanism. Downward accountability refers to engaging the citizens in the development process which among other things include the planning, implementation, monitoring performances and evaluation of the impacts. Upward accountability refers to reporting physical and financial performances to the next higher structure. The practice from Konso Development Association can be taken as a reference for downward accountability (Box 1).

The practical level to involve community in planning is the kebele administration. Reports from the WASH committees and boards indicated lack of capacity to plan sanitation and hygiene related activities, focusing on water schemes. Health extension workers are provided with the health package, which implies the absence of clear mechanism to engage communities in planning. Capacitating kebele development committee to lead local level planning will be central to advance downward accountability.

Though focuses only on water supply, the urgent need for Kebele level planning was proposed in the revised Universal Access Program (2009 to 2012). Low cost technologies, the first priority in the revised UAP, are planned to be constructed by the communities themselves through mass mobilization, showing a pressing need to create links with the kebele development committees. The health extension workers operate at kebele level, but use the package developed nationally on health extension. This is in conformity with the findings of the World Bank (2007) that attaches importance to the development of workable system for involving citizens in local development.

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**Box 1 - Experience from Konso Development Association**

The Konso Development Association (KDA) is a locally established non-government organization effectively contributing to local development. It follows a bottom-up planning approach where communities are capacitated to draw accurate plans and budgets, and engage in fundraising activities. The communities are facilitated to analyze their own situations, and draw physical and financial plans. Communities, then, sort-out activities that can be implemented by themselves and that need external support. Activities that require external support are submitted to KDA. KDA compiles these plans to raise funds and implement in collaboration with the communities. This needs to be scaled up in other areas to address downward accountability.

**Source:** Konso Development Association, Konso Special Woreda, Karat Town
6.2 Recommendations

**General**

- Sanitation should receive sufficient emphasis in terms of reaching national targets and creating sustainability. This requires (i) Awareness creation of national targets at local level; (ii) Establishing distinct unit under the health institutions responsible for sanitation; (iii) Drawing credible sanitation plans; and (iv) Allocating sufficient resources to deliver sanitation services.

- The need to establish agreed implementation modalities between the federal ministries and regional bureaus with the objective of addressing problems associated with communications under the decentralization policy framework. This implementation modality should address the problems related to coordination, integration and harmonization of physical and financial plans across the levels of governments.

- The mechanism for sanitation financing should be clearly defined among key actors (government, donors, and civil society organizations) under the leadership of the Ministry of Finance and Economic Development. This includes (i) the need to develop separate public budget line for sanitation that enables it to be sufficiently considered in the budget process; (ii) the urgent need to popularize and effect the use of a national guideline (at all levels) that enables concerned bodies to efficiently and effectively allocate donor funds between water supply, sanitation and hygiene; (iii) establishing clear system for financing regional and local sanitation plans.

**What can the Government do?**

- The Health Sector shall facilitate the opening of separate department or establishment of Hygiene & Environmental Sanitation Agency which can be accountable for sanitation and hygiene across the levels of governments. This is in line with the 2008 eThekwini declaration. No sufficient data on national sanitation budget to measure the progress in the financing against the 0.5% GDP. Sustainability of sanitation facilities constructed through off-budget investments at local level is uncertain. Though health plans are available at all levels sanitation plans do not exist, which will affect the financing process. Opening separate unit or department for sanitation under health can elucidate the above issues.

- The Ministry of Finance and Economic Development shall develop separate budget line for sanitation and hygiene. This is in line with the government commitment for implementing the eThekwini declaration. The advantage for opening separate budget line is many: (1) enables to track sanitation budgets and expenditures; (2) enables to measure progress on sanitation financing.

- The Channel 1b Program Coordination Unit within the Ministry of Finance and Economic Development along with relevant sector Ministries, and in consultation with donor communities, shall work towards effecting the national guideline by Bureaus/Offices of Finance and Economic Development to allocate donor funds between water supply, sanitation and hygiene. Guideline is available at federal level to apportion donor funds between water supply, sanitation and hygiene but not sufficiently cascaded down to the local governments. No clear understanding on how the channel 1b is divided between the sub-sectors at regional and local levels. Launching the implementation of national guideline by relevant actors will find the answer to the aforementioned issues.

- The revised UAP is focusing only on water supply (has the problem of horizontal integration) while the National Sanitation and Hygiene Strategy is lacking clear implementation plan (more of vertical integration). The government should take the lead in developing and agreeing on the implementation modalities between the federal ministries and regional bureaus to address problems associated with the communications under the decentralization policy frameworks. As the health has clear system for implementation across the levels of governments, no significant problem has been observed yet. But, in the case of sanitation, implementing the national targets across the levels of governments becomes a challenge.

- Local governments need to have clear and separate sanitation plans, drawn from local demands, regional and national targets; and be used to inform local budgeting. Local governments should have enough awareness on national and regional targets to plan and implement sanitation services.
Conclusion and recommendations, continued

**What is expected from donors?**

- WASH donors need to work with the ministry and bureaus of finance and economic development to create awareness on the national guideline project appraisal and development plan preparation stage for allocating the funds between water supply, sanitation and hygiene.

- WASH donors should ensure that sanitation is receiving its share from channel 1b funds. Donors should also monitor whether commitments made for sanitation is seriously addressed in the WASH programs.

- Supporting the development of local government minimum capacity packages in terms of finance, technical expertise and equipments

- Supporting the establishment of separate department or unit for sanitation under health at all levels.

**What should the Non-Government Organizations do?**

- Non-Government organizations should provide the necessary support in the establishment of sanitation unit or department under health (technical, financial and material).

- Non-Government organizations need to work on the capacity building of the newly established department at all levels of governments.

- Support in making the national and regional policy targets popularized and assimilated in local plans. Again, support in popularizing the national guideline that was developed to allocate donor funds between water supply, sanitation and hygiene at local levels.

- Support concerned bodies in the development of workable system for the betterment of sanitation financing.

- Non-government organizations need to integrate, harmonize and align their plans with the local systems and structures.

**What can the public at large do?**

- Contribute towards financing the sanitation services (in cash and in kind)

- Elders and community leaders to be model actors

- Willing and committed to use the toilet; avoid open defecation
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All photographs are from WaterAid Ethiopia. Photos are of community members in different parts of WaterAid supported projects especially focusing on hygiene and sanitation activities.

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The international NGO dedicated exclusively to the provision of safe domestic water, sanitation and hygiene education to the world’s poorest people.

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