

Annual Report **2007**



About IRC

The IRC International Water and Sanitation Centre is an independent knowledge centre on water supply, sanitation, hygiene and integrated water resources management in the context of development cooperation. IRC conducts research, offers training and advice, and provides information products and services.

It works for the public and the private sectors, and for Dutch and international organisations, including UN agencies, development banks, non-governmental organisations and private charities.

IRC aims to contribute to global sustainable development and poverty reduction. Its mission is 'to facilitate the sharing, promotion and use of knowledge so that governments, organisations and professionals can better support poor men, women and children in developing countries to obtain water and sanitation services they will use and maintain'.

Basic facts

IRC was founded in 1968 by the Dutch government as part of an agreement with the World Health Organisation to establish an 'International Reference Centre for Community Water Supply and Sanitation'. This was how IRC acquired the name it is still known by. It was then part of the Ministry of the Environment, and has been supported throughout its existence by that ministry, and by the Directorate General for International Cooperation at the Dutch Ministry

of Foreign Affairs. In 2006, IRC became an independent not-for-profit foundation under Dutch law. It is governed by a one-person Governing Board (the Director) and a Supervisory Board.

In 2007 IRC had 45 staff members, a turnover of approximately 4.5 million euros and a large network of partners in both Southern and Northern countries. Programmes funded by the Dutch government account for just over half of its activities and income. Since 1999 IRC has been housed in the premises of the UNESCO-IHE Institute for Water Education, in Delft, the Netherlands.

Areas of operation

IRC operates three major programmes. The Thematic Programme focuses on knowledge development and innovation. Around ten thematic groups work on topics of critical interest to the WASH and IWRM sectors. Most of the work is undertaken with partner organisations from the North and the South.

The Information Products & Services Programme provides the global water sector with publications, electronic and printed newsletters, portal and hosting services, and on-line library services. All of its products are in English; some are also available in French and Spanish, being produced together with partners in French West Africa and Latin America.

The Regional Programmes focus on capacity development in Southern partner institutions. They provide a channel through which the outputs of the thematic programme are mainstreamed and information products and services are disseminated.





Table of Contents

About IRC	2
[Table of Contents]	3
Statement by the Chairman	4
Statement by the Director	5
IRC at a Glance	6
Knowledge Development and Innovation	7
Regional Capacity Development	11
Information Products and Services	18
Financial Report	22
Looking ahead to 2008	24
Governance	25

Statement by the Chairman



Lodewijk de Waal

Chairman

On behalf of the Supervisory Board

In 2006, the IRC's Governing Board was replaced by a Supervisory Board. Now that all the formalities surrounding the transition have been completed, the Board can settle into and focus on its core tasks of providing supervision and advice. And of course it has to fulfil both tasks with dedication and commitment.

In 2007 the Board, and the chairman especially, was closely involved in the search for a good replacement for departing IRC director Paul van Koppen. The wide choice of candidates showed that IRC enjoys substantial respect in the sector. Ultimately, a resolute decision was made to appoint Ben Lamoree, who took over officially on 1 September.

The composition of the Supervisory Board also changed in 2007. After many years of loyal service to IRC, for which we again express our thanks, Wil van Segeren and Aalt Leusink stood down as Board members. They were replaced by Dick den Haas and Regien van der Sijp, who were 'exposed' to an introductory programme.

2007 was the first year of the new five-year Business Plan (2007-2011). Although, in one sense, that heralded a 'new start', it did not mean that there was little continuity: the annual report and annual accounts offer evidence enough of that.

It is becoming increasingly clear just how important water and sanitation are in achieving the Millennium Development Goals. The positive role that IRC can play in that is grounded in the knowledge and expertise of its staff. The strong growth of externally financed projects is clear evidence of their capacities and IRC's prominent position in the WASH sector.

The Supervisory Board will make every effort to help ensure that this growth continues.

Statement by the Director



Ben Lamoree
Director

In September 2007 I took over the helm at IRC from Paul van Koppen. It was a moment when a number of major changes had just been successfully concluded. The most important were the legal disengagement of IRC from the Ministry of Housing, Spatial Planning and the Environment, the adoption of a new governance structure with a Supervisory Board, the start of a new business plan period from 2007 to 2011, and various changes to the internal organisation.

In addition to these change drivers, IRC experienced growth in 2007. The trend of growing interest in IRC's main knowledge areas in the sector continued strongly. That was accompanied by new funding for further developing and mainstreaming these knowledge areas in the sector. All this has had a profound impact on IRC itself, the magnitude of which started to become clear in late 2007.

Good governance, especially at local level, is essential to achieve the Millennium Development Goals (MDGs) and to guarantee sustainable WASH services beyond 2015. IRC's new business plan therefore focuses on governance processes, and on how we can contribute to them with knowledge, capacity and information. The business plan is distinctly more impact-oriented than previous ones, while building on existing foundations.

Partnerships are essential to what IRC is and does. Working with partners – both in Southern countries and with global development organisations – is what helps us to ground our knowledge development and other services in reality and stay in tune with what the sector requires. Nurturing existing partnerships and developing new ones was therefore a priority in 2007 and will remain so in the future.

All the above issues are setting IRC's agenda for 2008 and the future. With the continued support of our partners and sponsors, I look forward to these challenges.

IRC at a glance in 2007

IRC's strategic direction has not changed with the start of the new business plan. The focus will remain on knowledge development, capacity development and information brokerage.



The information products and services programme successfully continued its news services in three languages with Source Weekly and Source Bulletin, offered portal services to approximately 15 partners, started the full changeover to an electronic library, and published 15 new titles. Remarkable was the increase in downloads of IRC publications by more than 100% to 60,000, many in other languages than English.

Interest in IRC's innovative concepts strongly increased in 2007. Several of the ten thematic groups – including Multiple Use Services, Transparency and Corruption, and Cost and Finance – showed ongoing mainstreaming in the sector. Cost and Finance was awarded a substantial grant to intensify its work on unit costs and implement it in four countries. Within nearly all the other themes partnerships were reinforced and outputs enhanced.

The focus on capacity development found new expression in 2007 with the creation of six regional programmes: Southern, East and West Africa, the Middle East and North Africa, South Asia, and Latin America. In addition to focusing on capacity development, the regional programmes are also the link between IRC's innovative and conceptual work on the one hand and partners, sector demand and on the ground realities on the other hand.

A protocol was developed in 2007 to be able to monitor progress in all three areas of our focus, and report on them in a structural way during the 2007-2011 business plan period.

IRC's staff contingent grew in 2007, to 42.4 full time equivalents, up from 38.5 in the previous year.

Financially 2007 has been a good year in which we achieved our financial targets. Most significant was the increase of funding from partners other than DGIS by 84%, slightly above budget.



Knowledge Development and Innovation

Improving local governance

IRC's thematic programme focuses on knowledge development and innovation. Its overall aim is to improve local governance in the water and sanitation sector. Good local governance is essential to achieve the Millennium Development Goals (MDGs) and to guarantee sustainable WASH services beyond 2015. A number of thematic groups pursue this aim, working together with partners from both the North and the South.

The programme's activities fall into two categories, one relating to content and the other to processes. In 2007, the content-related areas were:

- Hygiene and Sanitation
- School Sanitation and Hygiene Education (SSHE)
- Financing for Sustainable WASH Services
- Corruption, Honesty, Accountability and Integrity (CHAI)
- Scaling Up Rural Water Services
- Multiple Use Services (MUS) and local Integrated Water Resources Management (IWRM)
- Good Governance for Sustainable and Pro-poor Local WASH Services (WASHIRIKA)
- Strategic Participatory Planning for Local WASH Governance

The process-related areas were:

- Innovative Communication
- Action Research and Learning Alliances
- Resource Centre Development (RCD) and Knowledge Management

Thematic groups

The thematic groups were involved a wide range of activities in 2007. Below is a selection.

Transparency

In 2007 IRC co-organised a series of regional workshops on transparency and accountability in the water sector. The workshops, funded by the Water Integrity Network (WIN), were held in Latin America, South Asia and the Francophone and Anglophone regions of West Africa. They focused on how to identify and combat the lack of transparency and accountability at all levels and were attended by a wide range of participants from the public, private, civil-society and donor communities.

Finance

The finance group is concerned with issues such as microfinance in the WASH sector and identifying the real costs of providing safe water and sanitation to poor communities in developing countries. See the Highlights section for more details of activities in these areas in 2007.

Hygiene and Sanitation

This group has three core concerns: sanitation, hygiene and WASH in schools. 2007 was an important year in bringing these concerns together under the overall theme of local governance and in linking up with the IRC's regional programmes.

In 2007 IRC started organising regional learning and sharing workshops on sanitation and hygiene. One of the main objectives of the workshops is to get key players and practitioners to focus on what works and what doesn't in the area of sanitation. Forty practitioners from East and Southern Africa attended a workshop in November in Moshi, Tanzania. The participants shared best practices in rural household and primary school sanitation and hygiene and identified key issues for follow-up. IRC also contributed indirectly to the LatinoSan conference in Colombia in November, facilitating a number of sessions on sanitation and hygiene. The workshops were considered very valuable and will be continued in 2008.

MUS and IWRM

Water is essential to the poor, not only for drinking and hygiene but also to produce food and generate income. With delivery systems tending to focus on single use, alternatives are called for which cater for multiple use and take an integrated approach to water management. Multiple Use Services (MUS) and Integrated Water Resources Management (IWRM) are explicit components in four of IRC's regional programmes: Honduras, Southern Africa, East Africa and South Asia.

The IRC MUS group is involved in the MUS Project, part of the CGIAR Challenge Program on Water and Food. The project focuses on developing tools and guidelines for the delivery of multiple-use water services. Working through learning alliances, the project aims to develop locally-specific innovations and build capacity for scaling up. It is active in rural and peri-urban areas in five major river basins in Africa, Asia and Latin America. The MUS group completed its in-country work on the project in December and will be publishing a report on the project's findings in the course of 2008.

In 2007, the MUS and IWRM group published several articles and papers, including *Technologies for Multiple Use of Water: Experiences from Zimbabwe*, a working paper produced for the Challenge Program.

You can find more information on MUS-related activities in the Highlights section.

Action Learning

IRC seeks to transform project activities into learning experiences, helping local groups and individuals learn to do, rather than to know. Through learning alliances, it encourages practitioners and researchers to implement innovations on a large scale.

In March, IRC co-organised a training workshop on Learning Alliance Development and Facilitation in Łódź, Poland, for the Sustainable Water Management Improves Tomorrow's Cities Health (SWITCH) project. The objective of the five-day workshop was to advance the establishment of city learning alliances by training facilitators.



A second workshop was also held in Łódź in July, on Process Documentation for Learning Alliances and Action Research. For more information on this workshop, see the chapter on Information Products and Services (page 18).

Highlights in 2007

Assessing the state of knowledge on MUS

In 2007, IRC took part in a joint study with the International Water Management Institute and Winrock International to assess the state of knowledge on multiple-use services for the poor. The report of the study, which was commissioned by the Bill and Melinda Gates Foundation, was published in December 2007. The study examined the relative costs, benefits and impacts of MUS compared to single-use services, and evaluated the potential market for MUS, focusing on South Asia and sub-Saharan Africa.

The study found that, although multiple-use services cost more than single-use services, they generate greater income and have a greater impact on poverty.

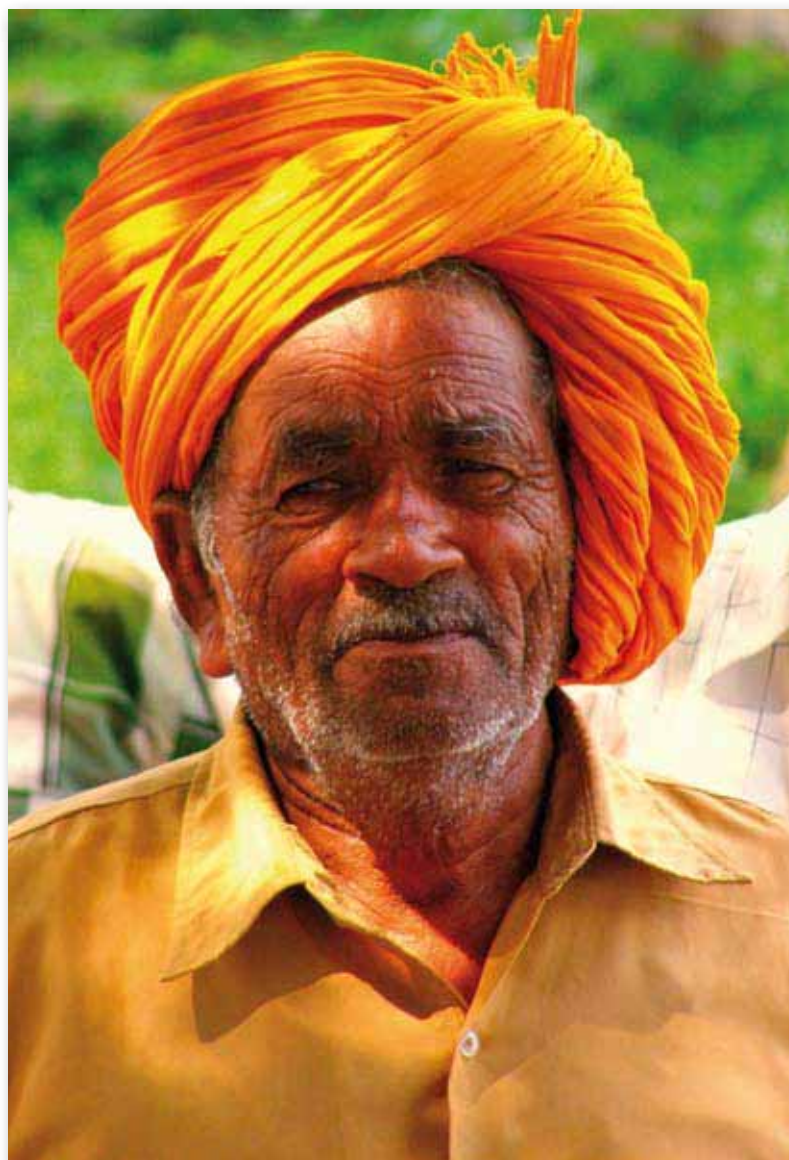
Fighting poverty with microfinance

Microfinance can be an effective instrument in achieving the MDGs. Used properly, it can reduce poverty and empower women. In 2007 IRC and the Netherlands Water Partnership published a booklet on microfinance in the WASH sector. The booklet was launched in October, during a finance workshop in India, to coincide with a visit to the country by Queen Beatrix of the Netherlands.

Microfinance was one of the topics of discussion during the visit. The booklet gives a short introduction to microfinance in the sector, looking at how it can help households, communities, municipalities and service providers.

Reality check on water and sanitation costs

IRC is working together with international agencies and local organisations to identify the real costs of safe water and sanitation in poor communities. The WASHCost project aims to predict what WASH services should cost, thereby supporting better governance and more efficient use of funds in the sector. This high-profile project is being externally funded with a grant of nearly 10 million euros over a five-year period.



Catarina Fonseca



Catarina Fonseca is responsible for IRC's focus area Financing for Sustainable Services. As a senior economist she coordinates the theme, supervising activities such as action research, the production of publications on key issues, and the development and facilitation of training courses together with partners in the South.

Before joining IRC, Catarina worked with a Portuguese NGO for three years on participatory approaches with a gender and equity emphasis. With IRC, she has eight years of experience with community based management of water supply and sanitation services, and specifically innovative finance, cost recovery mechanisms, tariff setting, microfinance and unit costs.

Her field experience within IRC includes assignments, mainly in Africa (Mozambique, Burkina Faso, Cape Verde and Ethiopia) and consultancy work for foundations, international organisations, development banks and governments.

Some highlights of Catarina's activities in 2007:

- Getting the WASHCost project up and running. As IRC's WASHCost project director, Catarina is responsible for IRC's largest externally funded project to date.
- Supporting the preparation of the NWP seminar 'Water and microfinance: exploring innovative partnerships' in India, which was attended by Queen Beatrix, the Prince of Orange and Princess Maxima. Together with IRC colleagues, Catarina produced a glossy background brochure on microfinance for the seminar. She also co-hosted one of the tables at the marketplace on 'microfinance and international good practices'.
- Coordinating the activities of the African Working Group of the EUWI to map European bilateral aid to Africa with those of the UN Global Annual Assessment on Sanitation and Drinking-Water (GLAAS). As part of this exercise, IRC was asked for input in developing a questionnaire and analysing the data.
- With the support of IRC, Catarina has started her part-time PhD at Cranfield University, UK.

Regional Capacity Development

Building blocks for learning and sharing

IRC's regional capacity development programmes focus on one or two countries in a region. These focus countries serve as building blocks for learning, innovation and knowledge sharing in the wider region.

The overall objective of the regional programmes is to promote improved delivery of sustainable, pro-poor and demand-responsive water and sanitation services by strengthening local governance processes. We pursue this objective by working in partnerships with national and decentralised organisations to develop new knowledge on approaches and methodologies, promoting and enabling better information sharing, and facilitating capacity development.

The key content areas include transparency, multiple uses of water, sustainable sanitation, strategic and participatory planning, financing such as micro-credits and cost recovery. The introduction and facilitation of Learning Alliances is one way in which IRC promotes innovation, better knowledge sharing and learning in the sector. Learning alliances are multi-level platforms that bring key actors together around themes which are critical to the sector in the countries. Support for resource centre development is another example of how IRC works to strengthen national capacities for better sector learning for improved local WASH governance.

The regional programmes are active in six focus regions. Each programme is built-up around the specific circumstances in each region, the main challenges facing the sector, the existing partnerships and the level of institutional capacity.



Focus regions

West Africa

Four out of five sick people in West Africa suffer from diseases caused by dirty water and/or unhygienic practices. Water is widely available in West Africa but it may not be enough to meet the needs of the 400 million people expected to live in the region by 2025.

IRC's West Africa regional programme works with partners CREPA in Burkina Faso and TREND in Ghana to create a learning culture in the WASH sector and improve local governance in the sector. The establishment of learning alliances and the facilitation of resource centre networks feature high on IRC's agenda for the region.

Highlights of the West Africa programme in 2007:

- A series of workshops resulting in the setting up of a SWITCH learning alliance in Accra, Ghana
- The development of a coherent strategy for the region and the acquisition of projects to ensure the availability of more resources to pursue the programme's objectives and to integrate all components of the programme.
- Successful workshops to launch the Water Integrity Network (WIN) initiative

East Africa

Most East African countries have well defined national WASH policies and a reform agenda with clear strategies to improve WASH services and systems. There has, however, not really been a breakthrough in terms of improved health and poverty reduction for households.

This is often not only a question of lack of resources and capacities. It has much to do with the decentralisation process in which the different actors all have their own role, agenda and specific interests. There is a need to bring them together, create synergy between policy and practice, learn from past faults and current successes, and listen to the needs of the people concerned.

IRC's regional programme in East Africa has built on existing collaboration with partners in Kenya, Uganda, Tanzania and Ethiopia, and initiated projects with new national, regional, international and Dutch partners.

Highlights of the East Africa programme in 2007:

Working together with SNV and NETWAS Uganda, IRC has initiated the



Learning for Practice and Policy in Sanitation (LeaPPS) project. LeaPPS is initially running in Uganda, with plans for outreach to other countries in the region.

The core objective of the project is to support multi-stakeholder learning processes. It takes local governance as its entry point, facilitating learning platforms on hygiene and sanitation at district and sub-district level.

LeaPPS has already had a tangible effect. It has breathed new life into the District Water and Sanitation Committee (DWSC), where the project's programming and outcomes are discussed. The DWSC is a mandatory platform which was inactive before the project started.

At national level, IRC is represented at the regular meetings of the National Sanitation Working Group and the WASH Cluster Development partners group, which are involved in the project. LeaPPS has also resulted in advocacy meetings for sanitation and hygiene in the pilot districts and new bye-laws at local level. The Ugandan Ministry of Water has shown interest in scaling up LeaPPS to another 77 districts.

Southern Africa

The Southern Africa programme focuses its efforts mainly in South Africa and Mozambique, with smaller activities undertaken in other countries, such as Zimbabwe. In addition, it aims to support regional networks, which promote strengthened local governance.

In 2007, the programme assisted with the development of a support strategy for the entire water services sector, and of multiple-use services as part of the Water for Growth and Development strategy of the Department of Water Affairs and Forestry (DWAF). In addition, it worked together with South African initiatives to promote regional networking.

Highlights of the Southern Africa programme in 2007:

- Completion of the MUS Project activities and documentation in South Africa and Zimbabwe. As a follow-up to this project, IRC is providing advice to DWAF on its Water for Growth and Development Strategy.



- Support for strengthening capacity at decentralised level in Zimbabwe, as part of the ZimWASH project. This project aims to strengthen the capacity of civil society and local authorities in six districts in Zimbabwe. IRC is working together with UNICEF Zimbabwe, the Mvuramanzi Trust, the Institute of Water and Sanitation Development (IWSD) and the National Coordination Unit for Rural Water Supply and Sanitation (NCU). In 2007, IRC contributed by developing key components of the programme methodology, on learning alliances, and planning approaches.



- National and regional workshops on the Water Sector Support Strategy and the development of a Water Services Provider Implementation Support Plan. DWAF established new support mechanisms in each of its regional offices to support local WASH governance, with each municipality drafting an action plan to address the support needs of their water services providers.

South Asia

South Asia is a region with strong and stable economic growth, but there is a growing divide between rich and poor, and rampant urbanisation is causing major capacity problems in small and medium-size towns.

The water sector is confronted with a number of serious problems. Closing basins and depleting groundwater tables are accelerating rural-urban migration. Sanitation and hygiene are lagging behind overall development, with approximately 900 million people lacking sustainable access to safe sanitation. Although the capacity for innovation exists, its effectiveness is limited because learning and up-scaling processes are poor. Donors often have only limited influence on the development agenda, while a number of stronger countries, like India, are becoming donors themselves.

The South Asia regional programme has a number of concrete objectives:

- Long-term sustainable use of latrines and safe hygienic practices
- More sustainable and equitable access to safe drinking water and sanitation services by the poor, achieved through better local water governance and local WRM for WASH
- Better learning and sharing in the sector

Highlights of the South Asia programme in 2007:

- Partnerships are developing with regional organisations, including UNICEF, WaterAid Asia and SNV, and country partners such as RCNNepal, NEWAH (Nepal) and RCNGujarat.
- Discussions on establishing a regional WASH institute in India with

several partners (PLAN, WaterAid, WEDC, WINROCK, Wes-Net India, SEI, SIWI).

- Organisation of a learning and sharing workshop on sanitation and hygiene, jointly with WaterAid and BRAC, to be held in Bangladesh in January 2008.

Middle East and North Africa region

Water is a scarce resource in the Middle East and North Africa. About 45 million people lack safe water and more than 80 million have no access to safe sanitation. As the population grows and urbanisation advances, the costs of safe water and sanitation services rise. This increases the pressure on WASH suppliers, many of which already have problems meeting demand.

The main aim of IRC's Middle East and North Africa (MENA) programme is to consolidate and scale up the participatory planning approaches developed in the EMPOWERS project, which ran from 2002 to August 2007. EMPOWERS (Euro-Med Participatory Water Resources Scenarios) was a research and development project in Egypt, Jordan, the West Bank and Gaza. It aimed to improve the access of poor users to water through improved water resources management.

Highlights of the Middle East and North Africa programme in 2007:

- An EMPOWERS thematic group was formally launched in August to ensure follow-up to the EMPOWERS project. The group comprises the partners involved in the project, including IUCN, CARE international and several regional and national organisations. Its activities include advocacy for local governance and planning, information sharing and organising learning and discussion events in the region.
- The EMPOWERS partnership produced various publications including a Story book on Local Water Governance in Egypt, Jordan and Palestine.
- Supporting the SWITCH (Sustainable Water management Improves Tomorrow's Cities' Health) project in Alexandria, Egypt.

Latin America

Most countries in Latin America are well on track in achieving the MDGs. The main challenge in the region is not only to increase coverage but also to ensure the sustainability of existing and new services. In addition, there is need to improve the quality of services and achieve greater equity of access for users. Decentralisation and reform are relatively well advanced in the WASH sector in Latin America. Despite this progress,



however, capacity at decentralised level, required to fulfil the newly acquired responsibilities needs further strengthening.

IRC's Latin America programme aims to meet these challenges through better knowledge management and sector learning. At regional level, the programme works through the GPS (Support and Promotion Group), a non-formalised partnership between IRC, SNV, WSP and other regional partners. The GPS acts as a regional platform to promote and facilitate capacity development. In addition, it works together with the Red de Agua y Saneamiento de Honduras (RAS-HON) on improving capacities for local WSH governance.

Highlights of the Latin American programme in 2007:

- In November, IRC signed a memorandum of understanding with the national WASH network in Honduras, RAS-HON for a five-year programme of collaboration on strengthening capacities for improved local WASH governance. This formalised a collaboration, which had been taking shape in the course of the year. Some of the key joint activities undertaken include promotion and facilitation of resource centre development, studies on governance of sanitation services and multiple-use of water, and workshops on transparency, and local governance.
- At regional level, the GPS acquired two new members (RRAS-CA and SDC-CA), while UNICEF and AIDIS showed an interest in joining and possibly committing resources to its activities in 2008.
- Through the GPS, IRC also played an important role in the LatinoSan conference in Colombia in November, organising sessions on transparency, knowledge management and capacity development. In addition, it actively participated in the session on management and financing of sanitation services.



Joep Verhagen



Joep Verhagen joined IRC three years ago after working in India as an independent consultant for ten years. Because of his experience, his work initially focused on South Asia, but for the past two years, he has also been active in the West Africa team as well. In both regions, most of his work relates to sanitation and hygiene and 'learning for change'.

Some highlights of Joep's activities in 2007:

- Leading a capacity development programme for the Bangladeshi partner, BRAC. BRAC is currently implementing a large-scale WASH programme with a budget of around 58 million. As IRC was involved in developing the programme, it was logical for BRAC to

ask for its continued support. During three visits to Bangladesh, Joep and his team trained BRAC's senior staff and provided inputs into their programme through discussions and field visits. This resulted in a number of significant changes of the implementation strategy of the programme.

- In collaboration with WaterAid South Asia, Joep helped organise a sharing and learning workshop for 53 sanitation and hygiene practitioners. The workshop brought out the richness in experiences that are available in the region and some of the participants remarked that this was one of the best workshops they ever participated in.
- In Ghana, Joep continued to work on SWITCH. The EU-funded programme brings together 34 partners and focuses on Integrated Urban Water Management. In Ghana, IRC is making steady progress in involving a wide range of stakeholders in identifying problems and taking up research outcomes. Together with three other large-scale programmes, SWITCH provides IRC with a solid base to play a strong role in the Ghanaian water and sanitation sectors.

Information Products and Services

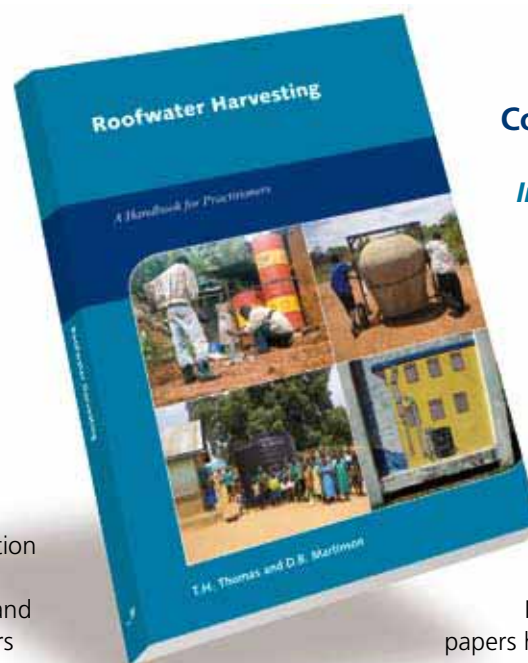
Bridging the information gap

Information is key to development and to achieving the Millennium Development Goals. One of IRC's core concerns is to bridge the gap between those who have information and knowledge and those who need to put it into practice. This means bringing people into contact with each other so that they can share their experiences and learn from each other.

IRC's global programme gathers knowledge and information on the water and sanitation sector and disseminates it in the form of newsletters, publications and on-line library and portal services. These products enable WASH practitioners and policy-makers to stay up-to-date on the latest trends, policies, resources and innovations.

Where possible, IRC works with partners to co-create information products and services. This enriches the content, reaches new audiences and increases ownership of the products. Examples of co-created products are:

- Global: Source Feature Bulletin newsletters with partners GWA and Cap-Net
- Regional: a new digital Source version for South Asia co-funded by the UNICEF Regional Office for South Asia (ROSA)
- Local: IRC publications translated into local languages such as Urdu and Vietnamese



Collect, connect, communicate

InterWATER

'InterWATER organisations' is an online guide to organisations working in the water and sanitation sector worldwide. More than 700 organisations are listed with a brief description, contact details and website address. It also provides a list of key international organisations and UN organisations dealing with water and/or sanitation. <http://www.irc.nl/page/126>

Publications

More than 100 books, pamphlets and papers have been (co-)published on key water and sanitation topics. New titles are added on a regular basis and are increasingly available online, free of charge. Downloads doubled from 28,000 in 2006 to 59,000 in 2007, popular titles being Sanitation for All?, Filtración en Múltiples Etapas and Roofwater Harvesting. A CD-ROM with all electronic publications has proved very popular.

Publications are increasingly becoming available in languages other than English. Spanish and French titles have the highest number of downloads.

IRCDoc

IRC offers public access to a huge bank of information and interactive

tools, including IRCDOC, to help you find what you are looking for. IRCDOC provides digital access to 16,000 references to documents and an increasing number of PDF files. Records are indexed manually by information specialists at IRC and its Southern partners CINARA (Colombia) and CREPA (Burkina Faso).

Library Services

Library Services provides a variety of information and documentation services related to water supply and sanitation in developing countries. The Library Services web pages give access to information tools, the InterWATER thesaurus, resources and document delivery.

Ask IRC

IRC's question and answer (Q&A) service, Ask IRC, provides tailor-made

responses to specific requests for information on social and technical aspects of water supply and sanitation in developing countries. Spanish questions are forwarded to CINARA and French questions to CREPA.

Website and portal

Since 1998, the IRC website has steadily grown, both in terms of pages and visitors. In 2003, IRC set up a content management system (CMS), allowing content specialists to manage their own content on the site. The CMS was set up so that many different websites could be hosted on the same system, allowing partners to combine and focus on content.

Source Weekly, Sources Nouvelles, Boletín de Noticias

IRC launched Source New Services in 1998 and produces newsletters in English, French and Spanish. Internet offered the possibility to increase frequency, outreach and interactivity with readers without an excessive increase in costs.

The focus of the news services is on the WASH sector in rural and peri-urban areas in developing countries. The French version is made together with CREPA and the French NGO H2O, and the Spanish version with CINARA.

In 2007, a new service was introduced, Source news feeds (www.irc.nl/page/38990). The news feeds provide quick updates on recent developments in the sector, with input from specialists around the globe. An absolute must for the sector professional!

Source Feature Bulletin

The Source Bulletins – in English, French and Spanish – are distributed free-of-charge by e-mail, on the web and on paper. They contain original feature articles, and news from IRC and partners. Readers as far afield as Mongolia and Zambia give feedback on how useful and practical the bulletin articles are.

In 2007, GWA and Cap-Net decided to become co-financing Source Bulletin partners rather than starting their own newsletters. Both organisations have their own pages in each issue.



Highlights of the information products and services programme in 2007:

- Portal workshop in Amman: At the end of February, twelve participants from five partners attended an IRC workshop in Amman, Jordan, on issues relating to their websites in the IRC portal system. The main objective of the workshop for IRC was to get into closer contact with current users of websites in the portal, to find out how they are using the system, help them to use it better, address practical problems and discuss new functions. One eye-opener was that none of the participants had identified target groups or tried to match their content to target groups before launching their sites.

<http://www.irc.nl/page/33164>

The participants, who came from Jordan and Palestine partners INWRDAM and EMPOWERS, were joined by web specialists from SEUF India, NEWAH Nepal and COSI Sri Lanka.

- Process Documentation in practice: process documentation for learning alliances and action research was the subject of a workshop in Łódź, Poland, in July. The workshop, supported by the SWITCH research project, IRC and EMPOWERS, combined specialist presentations from key resource persons with practical exercises in groups where creativity was encouraged. Participants put theory into practice using a range of media to document an ongoing action research process.

They conducted interviews, visited field sites and documented activities through photography, video and text.

<http://processdocumentation.wordpress.com/>

The writing group produced an eight-page supplement for the national newspaper *Gazeta Wyborcza*. The supplement describes how the SWITCH project is trying to promote learning and change for better water management in Łódź.

The photography group produced an exhibition on processes of social inclusion, exploring peoples' lives in Łódź and how they relate to public spaces and water. The video group made a short film telling how the city of Łódź is trying to restore an urban river. The workshop ended with a public presentation of the products in the Łódź Promotion office.



Dick de Jong



Dick de Jong is responsible for IRC's public information, advocacy and marketing programme and supports its activities in communication, information management and public relations.

Dick graduated from the School of Journalism in Utrecht in 1969 and has over 30 years of experience as a practicing communication specialist, including seven in international and national journalism and three in the field of information and communication with UNICEF in Bangladesh.

Some highlights of Dick's activities in 2007:

- In September, Dick celebrated 25 years of working on advocacy and

communication at IRC and in the sector. In that time, he has written hundreds of IRC newsletters, and authored and co-authored many publications. Dick edits IRC's Source Bulletin and co-edits Source Weekly, and is a member of the Editorial Advisory Board of Waterlines, the journal that aims to bridge the gap between research and practice in the WASH sector.

- Conducting media training workshops for UN-HABITAT's Water for Asian Cities programme in Singapore (July) and Teheran (December).
- Heading the writing skills group at the SWITCH/EMPOWERS/ IRC workshop in Łódź, Poland, in July, which produced a special supplement for the Polish newspaper Gazeta Wyborcza.
- Providing advocacy and communication support for the Indonesian Sanitation Sector Development Program. The ISSDP is working to improve pro-poor sanitation services in six cities in Indonesia through strategic planning at the local and national level. IRC is one of a number of organisations contracted to provide a range of technical services for the programme.

Financial Report

Income

IRC's income increased significantly in 2007 due to a rise in the income from externally funded projects. Core funding from DGIS started in 2007 with a new five-year subsidy of €12,455,000, equal to the amount for the 2002-2006 business plan period. The level of DGIS funding for IRC's operations has therefore not changed significantly, apart from the effects of indexation. Income from externally funded projects rose from €981,410 in 2006 to €1,523,042, an increase of 55%.

Other income, mainly interest and publication sales, was slightly lower. Sales of publications were deducted from the DGIS funded expenses in 2007 (€8,000) and part of the interest (€18,000) was added to the DGIS funds in line with the subsidy conditions.

IRC achieved its targets for income generation in 2007.

IRC Income 2003-2007 (x1000 Euros)

	2007	2006	2005	2004	2003
DGIS funding	2314	2498	2416	2673	2883
External income	1523	981	926	1238	1008
Income derived from partners *)	748	250	-	-	-
Other income	90	99	73	78	107
Total	4675	3828	3415	3989	3998

*) Reported separately as of 2006

Expenditure

Personnel costs for 2007 were €2,561,781. The number of staff increased from 38.5 full time equivalents at the end of 2006 to 42.4 at the end of 2007. Expenditure on DGIS funded projects (excluding allocation overhead and personnel expenses) amounted to €441,759. Other expenses amounted to €858,383, including €308,000 for the office move scheduled for 2008.

Extraordinary items mainly took the form of losses due to depreciation of foreign currency reserves. The overall surplus for 2007 has been added to IRC's general reserves.

IRC Expenditure 2003-2007 (x1000 euros)

	2007	2006	2005	2004	2003
Personnel expenses	2562	2364	2267	2282	2231
DGIS funded project expenses	442	671	795	999	1150
Expenses from partners *)	748	250	-	-	-
Other expenses	858	424	443	647	504
Extraordinary items	34	18	-19	20	74
Total	4644	3726	3486	3949	3959
Surplus	31	102	-71	40	39

*) Reported separately as of 2006

Other information

The IRC Director received a total gross salary of €96,722.

The Chairman of the Supervisory Board received a remuneration of €4,000.

A remuneration of €1,600 was made available to the members of the Supervisory Board.

Looking ahead to 2008

Growth

With the healthy and growing demand for IRC's products and services in 2007, 2008 looks set to become a year of expansion. The signing of the grant agreement between IRC and the Bill & Melinda Gates Foundation on 28 December 2007 has set the agenda for implementing the 10 million euro WASHCost project. Turnover and staff numbers are expected to be more than 10% higher in 2008.

Partnerships

In the second year of the business plan period (2007-2011) the focus will be on implementing change processes initiated in the plan. As part of a new perspective on partnerships, for example, IRC will work with other international NGOs to increase its impact at local level and seek external funding for joint knowledge or capacity development projects with Southern partners.

International Year of Sanitation

The United Nations has designated 2008 the International Year of Sanitation (IYS). IRC participated in its launch in November 2007 and will be responsible for the official closure of the IYS for the Dutch water sector on 21 November 2008, at the end of a three-day international symposium on 'Sanitation for the Urban Poor: Partnerships and Governance'.

IRC 40

IRC will celebrate its 40th anniversary in 2008. A symposium and other events will be organized to mark this important milestone in IRC's history.

New premises

After ten years in the premises of UNESCO-IHE, IRC will be moving to a new office in 2008. UNESCO-IHE has grown so much recently that it needs the space we currently occupy. We will be sad to leave the dynamic environment of the IHE complex, but look forward to new prospects in new surroundings. At the time of writing it seems likely that IRC will move to The Hague, to a building in the centre of the city which will also house other Dutch water sector organisations.

Membership of PSO

In 2007, IRC announced it is to join PSO, an association of Dutch organisations concerned with capacity building. IRC expects to work with PSO to strengthen its capacity building efforts at national and regional levels. Many of our Southern partner organisations expect to benefit from our membership of PSO, which will take effect in 2008.



Governance

2007 saw consolidation of the major changes in IRC's governance structure in 2006, which entailed severance of the legal ties with the Ministry of the Environment and the adoption of a new internal governance model with a Supervisory Board.

The internal governance structure of IRC remained the same, in the sense that the management team continued to consist of the Director and the heads of the four sections. However, a new matrix organisation was introduced, creating three major cross-sectional programmes with all staff participating in all programme components. In addition, a consultation platform of senior IRC staff was created, which meets four times a year, mostly to discuss programmatic strategic issues. In response to the new powers of the IRC Director, the Works Council and the Director jointly drew up an Internal Governance Guide that specifies the principles of governance to which all parties adhere.

Early in 2007 Paul van Koppen indicated that he wished to stand down as Director of IRC later in the year. The Board initiated a recruitment process that resulted in the selection of Ben Lamoree, who took over as new Director on 1 September 2007. Paul van Koppen served as IRC Director for 4.5 years.

Two members of the Supervisory Board, Mr. W.A. Segeren and Mr. A. Leusink, stepped down in 2007, and were replaced by two new members.



As of 31 December 2007, the IRC Supervisory Board consisted of the following members:

- L. de Waal (Chairman)
Mr. de Waal is also:
Director of Humanitas Vereniging
Vice-Chairman of FMO (Netherlands Development Finance Company)
Chairman of the Supervisory Board of SNV (Netherlands Development Organisation)
Member of the Advisory Board of RNTC (Radio Netherlands Training Centre)
Member of the Supervisory Board of PGGM NV
- J.C. van Winkelen (Deputy Chair)
Mr. van Winkelen is also Chairman of the Executive Board, Vitens N.V.
- G.W. Ardon (Secretary-Treasurer)
Mr. Ardon is also:
Head of the Water Supply and Water Waste Department at the Dutch Ministry of Housing, Spatial Planning and the Environment
Member of the Board of Rioned
Member of the Steering group Partners for Water
Member of the Dutch committee of the International Water Association
- D.C.B. den Haas
Mr. den Haas is also:
A retired official for development cooperation and a diplomat. His last two postings were Ambassador in Dhaka (Bangladesh) and Caracas (Venezuela)
- R.N.M. van der Sijp
Mrs. van der Sijp is also:
Director of SMK (Stichting Milieukeur)
Chairperson of the Project Advisory Committee of OxfamNovib
Member of the Board of AIDEnvironment Consultancy
Member of the Supervisory Board of Triodos Doen Fonds (microcredit)
Member of IUCN Leaders for Nature



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In 2007 the IRC Supervisory Board met four times for regular meetings. Two members of the Board participated in the selection committee for the new Director of IRC. In the regular meeting in April 2007 the annual accounts for 2006 were approved. In the regular meeting of November 2007 the annual plan for 2008 was approved.



Colophon

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Water and Sanitation Centre
PO Box 2869
2601 CW Delft
The Netherlands
Tel: +31 (0)15 219 29 39
Fax: +31 (0)15 219 09 55
general@irc.nl
www.irc.nl



PO Box 2869, 2601 CW Delft, The Netherlands
Tel: +31 (0)15 219 29 39
Fax: +31 (0)15 219 09 55
general@irc.nl
www.irc.nl