



Issue 2 October 2001

Welcome to EDIAIS

The Enterprise Development Impact Assessment Information Service is a new service for DFID and the wider development community. It is managed on behalf of DFID jointly by the Institute for Development Policy and Management at the University of Manchester, and Women in Sustainable Enterprise (WISE) Development Ltd.

Our aim is not only to help Enterprise Development Advisors to design and carry out impact assessments (IAs) but also to help ensure that lessons learned through IAs have an impact on policy development. We will do this by disseminating information and encouraging debate through this monthly newsletter and our web site at www.enterprise-impact.org.uk. We hope you will find EDIAIS useful- we welcome your comments, complaints, enquiries and suggestions. Please help us to help you to make an impact.

Contact: Sarah Mosedale,
EDIAIS Project Research Officer
IDPM, Crawford House,
Precinct Centre, Oxford Road,
Manchester M13 9GH
Tel: 0161 275 2823, Email:
info@enterprise-impact.org.uk

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Water and enterprise development

Tom Franks, Bradford Centre for International Development, (t.r.franks@bradford.ac.uk)

This is a summary of a new paper on our web site which considers the contribution of enterprise development to DFID's Target Strategy Paper "Addressing the Water Crisis".

Increasing demands on the planet's fresh water resources are causing a water crisis. The main reasons are population growth and rising per capita demand. The proportion of the world's population living in countries with significant water stress is expected to rise from 34% in 1995 to 63% in 2025. At present some 1.1 billion people lack access to safe water and some 2.4 billion lack sanitation. The poor, especially women, suffer particularly badly, since they spend a greater proportion of their time and income on accessing water, and are often more seriously affected by changes in its availability.

DFID's goal is to enable poor people to lead healthier and more productive lives through improved management of water resources and increased and sustainable access to safe drinking water and appropriate sanitation. The targets are:

- to have comprehensive policies and strategies for integrated water resources management in the process of implementation in all countries by 2005
- by 2015, to reduce by half both the proportion of people who are unable to reach, or to afford, safe drinking water and those who do not have access to hygienic sanitation facilities.

What contribution can enterprise make?

The water supply and sanitation targets offer considerable opportunities for enterprise. These include carrying out technical and social surveys, community consultation, training and health education, small-scale construction, the provision of equipment, maintenance, water vending, water quality monitoring and hygiene services. Other parts of the water sector, such as power production can also be targeted. Although this tends to be large scale there is also a significant role for micro-hydel plants.

Water for food provides further opportunities. These range from supplying water (in Bangladesh, operators of small mechanical pumps move from well to well, selling water to a number of different farmers) to being agents in the marketing and distribution networks, both for inputs and outputs. All of these enterprises add value to water, and can have a significant impact on water availability and use for agriculture. For example, many smallholders face production constraints caused by lack of credit or access to markets. This may mean that they have to use water for irrigation when it is scarce (for example, at the end



Enterprise Development Impact Assessment Information Service



Institute for Development Policy and Management



Women in Sustainable Enterprise (WISE) Development Ltd.



Department for International Development

web site: www.enterprise-impact.org.uk

email: info@enterprise-impact.org.uk



Photo: Panos Pictures

Woman maintenance engineers at work in Kenya

of the dry season). Reducing such constraints can make scarce water available for other users.

Water impacts

At policy level there is a need for strategic impact assessment of policies and strategies in the water sector. The increasing emphasis on private sector provision may impact on, for example, water resource availability, public health, employment and income. This needs to be assessed and factored in to policy debates and policy-making.

Water is a large and multi-dimensional sector with impacts on many other human activities and natural processes. Assessing such impacts is necessarily complex, involving many different stakeholders and requiring extensive knowledge and judgmental skills. Key issues include:

- the need to assess impacts on gender roles - women play a key role in managing water resources (see for example www.wsp.org/english/focus/png.html). Women should often be the main beneficiaries but it is important to ensure that new delivery methods do not disadvantage them
- interventions may impact either positively or negatively on public health. For example, a better water supply may reduce the incidence of cholera: alternatively interventions in irrigation can provide breeding grounds for mosquitoes

- distinguishing between consumptive and non-consumptive uses of water can be useful. The former consume water and therefore make it unavailable for other users, for example irrigation, while the latter return used water in almost the same quantity and quality so it can be re-used, for example many domestic uses.
- linkages with other natural resources (especially land) need to be understood in order to assess impact. The hydrological cycle (www.und.nodak.edu/instruct/eng/fkarnar/pages/cycle.htm) is a useful unifying concept within which to consider these issues.
- changes in patterns of behaviour by upstream users can have significant impacts far downstream. It is therefore important to assess impacts on downstream users, and off-site.
- much emphasis is placed on the need to value water but such valuations are contentious. The poor always pay more, both in real terms and proportionally in relation to income. Interest is increasing in valuing water for environmental maintenance and in deciding how that water should be paid for
- private sector involvement means profit thus adding a significant proportion to implementation costs. It may also mean more corruption and an attitude shift (as in the UK) from viewing water as a resource to be stewarded to regarding it as simply an economic commodity
- private enterprise interventions should be assessed for their impact on community participation
- water and sanitation services are often provided by more than one supplier from more than one source. The assessment should therefore include, where appropriate, comparison of levels of service, and impact on other providers.

Water indicators

The key indicator for water and sanitation is access. Information on the number of people without access to both water and sanitation is collected on a 5-

year cycle under the WHO/UNICEF Joint Monitoring Programme. Access is not the whole story however - volume supplied, quality at point of consumption, reliability of supply, affordability, time spent in collection, hygiene practices and biodiversity are all indicators which reveal some of the complexities of the sector. For enterprises, indicators of payment and debt levels, quality assurance, measures of corruption, jobs and skills created may all be relevant.

In interventions concerned with water for food the key indicator is "crop per drop" (crop production per cubic meter of water). Of particular importance in the water and sanitation sector is participatory monitoring, in which individuals and communities define their own indicators and undertake their own monitoring, as part of the process of ownership of development.


And finally..

Enterprise development in water does work....

"Small-scale operators (in water and sanitation) tend to be customer-driver, financially viable, and ready to apply innovative technologies and marketing methods. They provide appropriate solutions in appropriate places, assume all investment risks, and reach the poor. They charge market prices, cover costs, and respect willingness to pay." Competition in Water and Sanitation: the Role of Small-Scale Entrepreneurs by Tova Maria Solo. www.worldbank.org/html/fpd/notes/ and it can have benefits beyond the water sector....

"The project masons were effective in training two teams of women from Kamwezi (in constructing concrete water tanks) and their work is of at least the same quality as the trained and experienced masons. Men in the village have been amazed at the ability of their women-folk. They have started to assist the women with agricultural work in the fields (digging and planting). The status of women in Kamwezi has improved and the confidence and dignity of at least some of these women have increased. The income generating potential of these women has also increased." From an evaluation in Kagezi Diocese, r.c.carter@cranfield.ac.uk. ■

Recent publications on impact assessment


 **Looking back: the long term impacts of water and sanitation projects.** *WaterAid available from www.wateraid.org.uk/research 2001*

This 28-page report is a summary of a study carried out by WaterAid in 1999/2000 which looked at a number of the water supply and sanitation projects carried out by WaterAid and its partners in Ethiopia, Ghana, India and Tanzania over the period 1991 to 1993. The study tested beliefs that such projects bring about fundamental, sustainable changes to people's health, livelihoods, their relationships and the way they perceive themselves. The report concludes that such interventions can have significant and often unexpected positive impacts on people's lives and the deprivation they experience. It provides evidence to argue that improvements in access to water and sanitation should form the cornerstone of any poverty reduction strategy. It also argues that involving community members in assessments of their own projects is essential if the true impacts are to be appreciated and future projects are to reach their full potential.


 **Integrated impact assessment for sustainable development: a case study approach.** *Bond, R., Curran, J., Kirkpatrick, C., Lee, N. and Francis, P. [World Development Vol 29 No 6 2001](#)*

To achieve sustainable development, different disciplinary approaches to the impact assessment of proposals are required. These can give a balanced consideration to multidimensional sustainable development targets. There is therefore a growing interest in integrating different methods of appraisal and evaluation into impact assessment methodology and practice. This article contributes to the development of such an integrated impact assessment by using case studies of development proposals. Three case studies, each with significant economic, environmental and social dimensions, are examined to see how appraisal was carried out in practice. The primary purpose is to explore how appraisals were conducted, the extent to which an integrated approach was used, and the extent to which this was conditioned by the different contexts in which they were applied in order to identify ways to strengthen practice in the future. An overview of integrated appraisal is included, followed by a comparative analysis of the three case studies with details of the appraisal methods and

stakeholder participation processes which were used in each case. The paper concludes with a number of recommendations on improving integrated appraisal practice.


 **Annotated bibliography of evaluations in Africa. Database of African consultants. Draft African Evaluation Guidelines.** *Available from the web site of the African Evaluation Association at www.geocities.com/afreval/index.htm*

These information sources form part of the African Evaluation Association's strategy to promote and develop the capacity of African evaluators, to provide an overview of the status of evaluation capacity in Africa, to share the lessons of experience and to build M&E evaluation supply and demand in African countries. The bibliography is a work in progress and contributions are welcomed. The criteria for choosing the evaluations was that they should be interesting, relevant to the social and economic development of Africa and published in the last ten years. They were mostly selected and reviewed by the Kenya Evaluation Association. Others were obtained through Xc-eval, the email network of evaluators working primarily in developing countries. And several were chosen from international databases such as UNICEF and UNDP. The web site contains other interesting information such as the AfrEA database of over 450 evaluators working in Africa. These are arranged by country, and the database provides brief details of their qualifications, experience, interests and publications with contact details. The African Evaluation Guidelines 2000: a checklist to assist evaluators is a draft working paper which is still undergoing consultation. It uses the US "Programme Evaluation Standards" as a starting point and seeks to make these more appropriate for African conditions. Grouping the guidelines into the categories of Utility, Feasibility, Propriety and Accuracy, the site includes discussion of the key issues around each guideline together with suggested modified versions.

 **Livelihood asset status tracking (LAST): a case from Rajasthan.** *Bond, R. and Mukherjee, N. Paper presented at the Development Studies Association Conference 2001 available from www.bham.ac.uk/DSA/conf01papers.htm*

The LAST method was developed as part

of an integrated Process Evaluation Management Information System to support ongoing learning in that part of the Western India Rainfed Farming Project managed by the Indian Farm Forestry Development Cooperative Ltd. It is a rapid impact monitoring system designed along with primary stakeholders. Using the sustainable livelihoods framework, it focuses on the assets of the poor (the five "capitals" of natural, physical, human, financial and social) and aims to track these assets as a proxy for impact. The process involves small group discussions, brainstorming, field testing and validation. Verbal descriptions of asset status are agreed and a matrix constructed which allows individual households to be positioned along a scale which ranges from worst known to best known locally. Scores for each of the five capitals are made separately but can be combined to give a LAST index for the household. In the field it was found that such assessments typically take an experienced enumerator about 20 minutes and, when cross-checked, were found to be replicable within five percent. When the exercise is repeated later in the project any surprising results point to where more detailed qualitative research might be most productive.

 **A rough guide to PPAs: an introduction to theory and practice.** *Norton, A. [Overseas Development Institute \(ODI\) 2001](#)*

This article takes a critical look at participatory poverty assessment (PPA) as a methodology and investigates the use of this methodology in various case studies. It summarises key findings from recent experience and provides guidance on appraising at the country level whether a PPA might make a useful contribution to improving the effectiveness of poverty reduction policy. The paper covers designing the process to ensure that the PPA will have a beneficial impact on poverty and offers help in finding useful literature and technical assistance. Although the findings vary from case study to case study a number of themes emerge. These include: a strong sense of vulnerability to shocks at both household and community level with ill health being the most significant shock for poor households; the identification of a range of coping strategies which households use to deal with hardship and shock, many of which can be destabilising for them in the longer term and a range of gender-related dimensions of ill-being. ■

Web sites

www.imp-act.org

This is the web site of the three year ImpAct action research programme, funded by the Ford Foundation and led by IDS and the Universities of Bath and Sheffield. Its primary objective is to improve the quality of microfinance services and their impact on poverty through strengthening the development of impact assessment systems. The programme seeks to empower organisations to develop their own learning systems, both to inform internal decision-making and to satisfy the requirements of external stakeholders.

In Phase 1 consultation with a group of microfinance organisations led to the development of the proposal. Phase 2 started in April 2001 and each partner organisation is now implementing an agreed programme of impact assessment (IA) development and research.

The four themes of the programme are:

- IA systems and processes - including organisational capacity and integrating impact monitoring into management information systems,
- Microfinance for the hard-core poor - including linkages between financial self-sufficiency and poverty impact and poverty impact methodologies
- Understanding the wider impacts of microfinance - including at community and national level
- Networks - including initiating and extending existing networks and setting industry norms and standards which arise from direct practitioner experience

Documentation available on the site includes papers from workshops held to develop the programme and overviews of the current state of the art in IA including methodologies and tools.

www.reflect-action.org

At first sight the website of an adult literacy programme might not seem relevant here but in fact Reflect has much to offer as a method of involving local people in analysing and evaluating their own situation. In a Reflect programme there are no textbooks or pre-printed materials except a manual for facilitators. Each literary circle develops

its own learning materials through constructing maps, matrices, and calendars that represent local reality, systemise the existing knowledge of participants and promote detailed analysis of local issues. Materials can include maps of households, land use or land tenancy, calendars of gendered workloads, illnesses or income, matrices to analyse local crops, credit sources/uses or participation in local organisations. Words are then introduced on the materials, first as labels, later as commentaries. Typically each circle produces between 20 and 30 items representing a detailed analysis of their community. The permanent record of this can be used for planning their own local development initiatives and is also available to the promoters of the literacy programme. First piloted in Uganda, El Salvador and Bangladesh, Reflect now operates in more than 20 countries. Evaluations have shown that Reflect, compared to other literacy programmes, was both more effective in teaching people to read and write and much more effective at linking literacy to wider development. The website, launched in September 2001, offers detailed information on Reflect including manuals and evaluations, new projects and cross-cutting themes and the newsletter Education Action.

www.parcinfo.org

Launched in September 2001, the parc (performance assessment resource centre) is a web-based service which supports efforts to improve performance assessment in international development practice. In this way it hopes to help develop the quality, effectiveness and sustainability of poverty-focused interventions. The web site includes sections on *News*, *Evaluation links*, *Meanings* (terminology and acronyms), *Guidelines*, *Finding reports* and *E-learning*. *Evaluation links* contains links to the key agencies which hold information and reports on monitoring and evaluation in international development. *Guidelines* covers online resources to help locate evaluation guidelines. Collected under areas of interest such as Community development evaluation, institutional evaluation etc. are links to relevant online manuals, handbooks and web sites. The *Finding reports* section contains links to online databases and search engines designed

to find evaluation reports. These include the Accountability and Learning in Humanitarian Action database, the ILO's "Progeval" and the World Bank's "Search Operations Evaluation Department". Under *E-learning* users are invited to contact parc for access to electronic discussion groups and to share learning materials.

www.worldbank.org/poverty/impact/index.htm

The World Bank's impact evaluation web site offers an introduction to impact evaluation, information on methods and techniques and a number of case studies in the areas of education, labour programmes, rural development, social protection and structural adjustment, some of which involve enterprise development. Also included is a short list of "key readings" (with an emphasis on Bank publications) and a list of related web sites which includes the evaluation departments of a number of international organisations and bi-lateral development agencies, professional associations, universities and research institutions and online evaluation journals.

Conference

UKES Annual Conference 2001

W5, Queen's Island, Belfast
6-7 December 2001

The UK Evaluation Society's annual conference focuses on Evaluation and transition: devolution, diversity and evidence based change. It will address issues of social and political transition and change occurring in the UK and internationally. Making sense of the change process, including a variety of stakeholder perspectives in policy reflection and providing participants with resources to create "provisional stability" during the change process are among the activities evaluation might enable. See also the UKES web site at www.evaluation.org.uk For more information contact ukes@happen.co.uk ■

The Enterprise Impact Assessment Newsletter was produced by Sarah Mosedale, Project Research Officer, as part of the Enterprise Development Impact Assessment Information Service (EDIAIS), which is managed jointly by the Institute for Development Policy and Management at the University of Manchester, and Women in Sustainable Enterprise (WISE) Development Ltd.

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