

Swiss-Ukrainian project
DESPRO
Decentralization Support in Ukraine



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RURAL WATER SUPPLY



**PUBLIC
SERVICES**

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The Swiss-Ukrainian Decentralization Support Project DESPRO is an international assistance project working in the reform of local self-governance (or “decentralization”) in Ukraine. DESPRO is funded by the Swiss Confederation via the Swiss Cooperation Office and implemented by Skat, and has been active since 2007.

1 Introduction

After the breakdown of the Soviet Union, rural communities were confronted with various issues related to water supply. Funds for the operation and maintenance of public services such as water supply either decreased dramatically or vanished. As the former system did not develop local capacities or establish sustainable institutional and financial systems for water supply, there were hardly any working procedures after 1991. Existing piped water supply systems in rural Ukraine were no longer allocated sufficient funds for their operation and maintenance. As a consequence, many of the piped systems broke down and the level of service provision was low. In rural areas, many households shifted to other sources for drinking water supply. However, the lack of quality groundwater poses issues to people looking for better alternatives for drinking water supply.

Since 2007, the DESPRO project has developed a community-based model for water supply provision, operation and maintenance, which has been implemented in more than 100 rural communities in 5 partner regions across Ukraine. Different management models have been used for implementation, with the most promising model being the service cooperative.

For Ukraine, with its highly fragmented administrative set-up at rural level, such community-based models for organizing water supply worked well: there were sound replication cases beyond DESPRO partner regions.



Yet, the recent decentralization reform, which started in 2014 and aimed at increasing the individual capacities of smaller communities through their amalgamation, slightly reduced the relevance of community-based approaches for service provision, even in rural areas. Since then, DESPRO has been gradually focusing on “local government-led projects”, providing support directly to local self-government bodies.

This brief therefore focuses on the results achieved between 2007 and 2016 by DESPRO in rural water supply¹. The activities related to developing and implementing service provision approaches based on direct involvement of community members and/or community-based organizations (CBOs) have brought a lot of different experiences and lessons learnt which, we believe, might be interesting to learn in countries with similar context.

2 Achievements (2007–2016)

- Over 87'500 rural citizens directly benefited from improved water supply resulting from 137 projects implemented in 5 partner regions: Autonomous republic of Crimea (before 2014), Vinnytsia, Sumy, Dnipropetrovsk, Ivano-Frankivsk and Poltava;
- 98,5 % functionality rate after project implementation (2 out of 137 projects were not functional when post-construction monitoring took place (5 years after the projects ended));
- 80–90% level of customer satisfaction with the quality of water supply service provision;
- The *service cooperative* as a legal form of service provider was developed and introduced by DESPRO for the first time in Ukraine (Sorokovskyi and Olschewski, 2012);

¹ A separate brief details the process and results of DESPRO's local government-led projects in the water sector. See <https://despro.org.ua> for more details.

- The support and administering of local projects was fully institutionalized at sub-regional (district) and regional (oblast) level, and integrated into policies and procedures;
- Integration of direct (provision of co-funding for water infrastructure) and indirect (funding for technical and project management) support activities at sub-regional/regional level made it possible to allocate additional financial resources in the relevant regional and local budgets for water-related projects;
- In 3 out of 6 regions - Vinnytsia, Dnipropetrovsk and Ivano-Frankivsk - the regional authorities have replicated the project support modalities and procedures of DESPRO into the regional budget grant programmes for local communities;
- As the result of the social mobilization concept implemented, community households contributed on average to 54% of the total project costs – an extraordinary level of household financial contribution for infrastructure development;
- DESPRO co-financed a relatively small share of infrastructure development – 30% only of total project costs on average, with 16% co-funding provided from budgets (local, district, regional);
- At least 250 new jobs were created in partner rural communities, mostly through new official job positions in newly established community-based organizations (CBOs) acting as water supply service providers;
- The capacities of at least 500 people were developed: local authority officers, community



leaders, representatives of district and regional authorities have upgraded/learnt new knowledge through extensive expert and consultative support, training, exchange, as well as through joint planning and implementation of socially important initiatives;

- “Activation” of the community in resolving local development issues: for a great number of partner communities, the implementation of a water project with the support of DESPRO became a new reality of local development: the water project became the first in a range of other community-led and community-implemented local development projects;
- A series of manual, practical guides, videos, an online training course “Rural Water Supply: From Idea to Implementation” (<https://udl.despro.org.ua/course/view.php?id=63>) and web-resource “Voda v selo” (English: Water to Village, <http://vodavselo.info/>) have made this specific knowledge available for dozens of thousands of stakeholders.

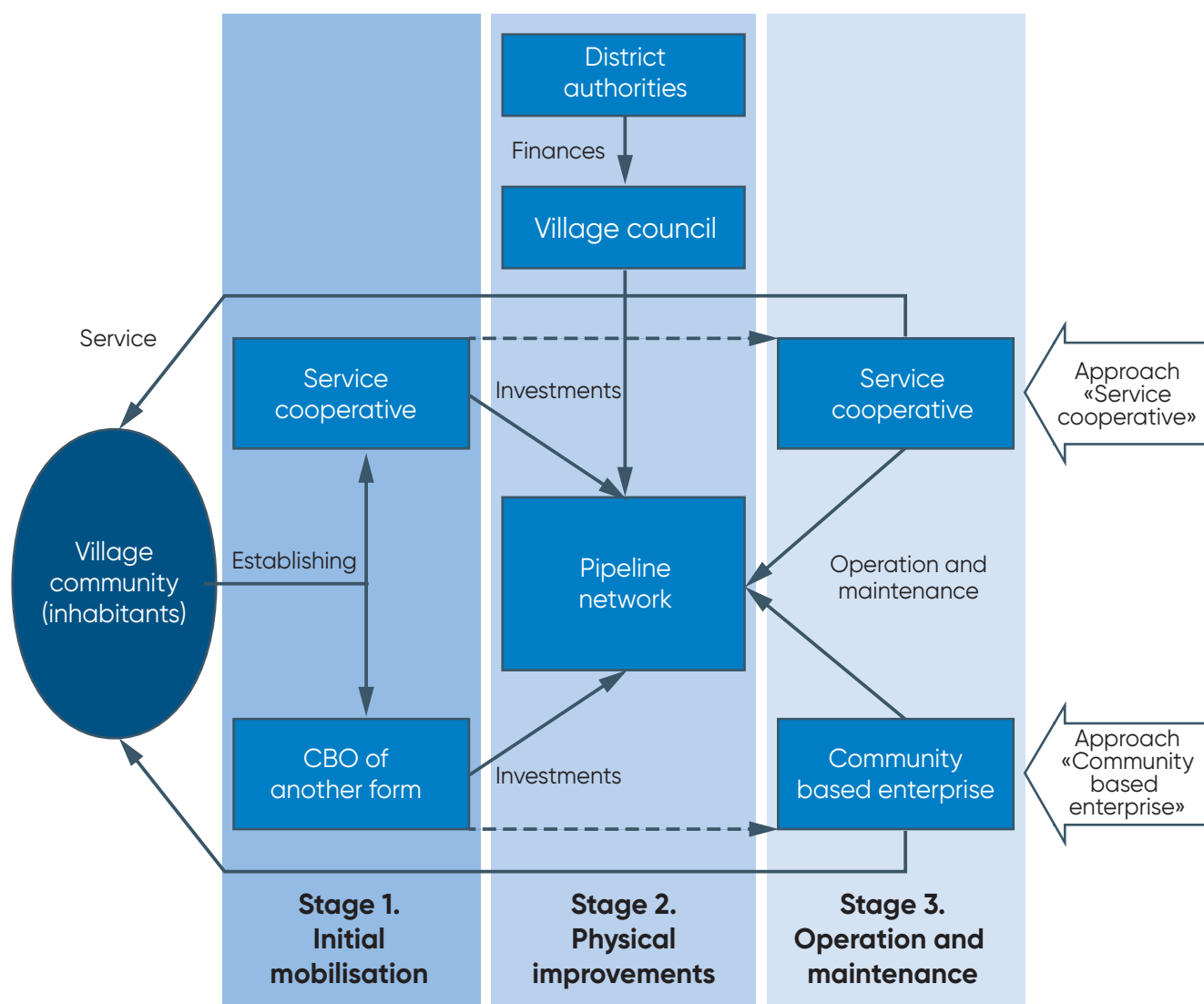
3 Process/Methodology

The DESPRO project approach for decentralized rural water supply is based on social mobilization and strong involvement of the beneficiaries. Social mobilization addresses the need to build up capacities and processes within communities, in order to solve issues of public demand such as rural water supply or other tasks of public interest such as waste management. Social mobilization involves the local population and all the relevant levels of local and national authorities. Through social mobilization, substantial financial contributions from beneficiaries can be mobilized to fund activities for improving public services, such as water supply. In DESPRO projects, all

relevant players are involved from the beginning. On a local level these included (See Figure):



Fig.1 DECENTRALISED WATER SUPPLY MODEL IN UKRAINE (DESPRO, 2007-2015)



Village Community as a group of people living on the same territory (village, or even neighborhood of the village) and sharing basic conditions of life.

Community-based organization (CBO) as a legal entity (officially registered) – an organization formed by the village community members on the basis of common interest and agreed goal(s). In practice, a CBO may possess different organizational and legal forms. In Ukraine, citizens have the right to organize associations, self-organised bodies of population (e.g. street, neighborhood committees), and different forms of cooperatives, as well as other forms of non-governmental not-for-profit organizations.

Community-based Enterprise (CBE) which is in most cases an organization established (or an individual who has been elected) by members of the CBO, specifically for the purpose of operating and maintaining the water supply system. The need to separate CBO and CBE into different legal forms comes from cases where CBOs are not allowed to operate and maintain the water supply system due to legal limitations. In Ukraine, for

example, an association or self-organised body of population may build and/or own the water supply infrastructure, but are prohibited from operating it.

Village self-government authorities (e.g. village council, village executive committee and line structures, village head (mayor) are responsible for organizing public services provision, including water supply, within the respective territory. It is responsible for the allocation of financial resources to undertake measures such as water supply.

District authorities are in charge of coordinating regional development and responsible for defending the common interest of villages and other settlements within the district. The district authorities have specific funds (mostly state budget transfers) within the framework of the state and regional target programmes. These funds can be accessed by village communities upon request, provided activities are within the scope of the target community.

DESPRO has been providing support to village communities selected upon competition by supporting the elaboration and implementation of

community projects. The principal requirements of a project were as follows:

Social requirements:

- The project has to undertake measures of improved water supply to cover all potential beneficiaries.
- The project is being implemented through a CBO created by villagers.
- Before starting the project, at least 75% of the households in the target group must agree on the following:
 - goals, objectives, project implementation plan;
 - amount of financial/in-kind contribution (as a rule, the household financial contribution to the project should have been at least 40% of the total project cost);
 - establishment of a CBO with their individual membership;
 - the mechanism for operation and maintenance of the water supply system.

Under these conditions, new centralized piped systems were often planned in a way that matched the volume of financial contributions from households. Most households could afford such contributions. However, for families with very low income, such conditions might block access to improved water supply.

To respond to this challenge, since 2012 the social cases approach was developed by the DESPRO project and introduced in 20 partner villages. In this approach, the community is given the task to identify the families with special needs and approve a special policy regarding their financial participation in the project. The approach considers equity and inclusion and contributes to universal access to improved water supply at community level (Sorokovsky, 2016).

The principal technical solution for the project included:

- Construction of piped water supply network from using a local borehole(s), drawing water from the second aquifer in most cases;
- Gravity-led (water towers) or pumped using automatized pumping stations with pump spin frequency regulation;
- Individual backyard/in-house connections. Connecting a household with a backyard tap or in-house was an individual choice; however, post-construction monitoring showed that 75% of households preferred having an in-house connection;
- Installation of individual water meters was an obligatory project modality.



The *legal/institutional* side of the project implementation included:

- Strict requirement to follow state construction norms while designing and organizing physical infrastructure development and operation;
- Resolving ownership/property issues related to the water supply systems: transferring property rights for infrastructure to the balance sheets of local self-government body or community-based enterprise (in most cases - service cooperatives);
- Setting cost-recovery tariffs, establishing the contractual relations with consumers;
- Obtaining permissions / licenses as required.

The project implementation approach also included direct and indirect support at regional and sub-regional level. In order to avoid establishing parallel structures (e.g. regional representative offices) the project ensured the establishment of District Working groups at partner districts steered by the Regional Steering committees. The District Working groups consisted of representative of state executive authority (rayon state administration) and elected self-government body (rayon council), and DESPRO. The Working groups were the leading body for the project support at their level covering all issues, from organizing calls for proposals to monitoring of project implementation. Working groups were usually chaired by one of the top district managers, whereas the day-to-day work was done by a "focal-point" person (namely - a working group coordinator), usually someone from the rayon (local district) administration. The members of the working group dedicated their work as a part of their job description, and did not receive any direct payments from DESPRO. However, as part of the capacity building portfolio, the members of working groups, as well as Regional steering committees benefited from extensive training through cooperation with DESPRO.

Integration of direct support into existing power bodies served also to form a new type of relationship between communities and authorities of different levels, as the project implementation

processes required joint planning and implementation of socially important initiatives by both communities and authorities at upper level.

4 Lessons learned

- Community-based approaches to water supply at rural level are highly dependent on the context. The following factors (social cohesion, income, occupation, level of migration to urban areas, and regional disparities, such as population density) should be properly addressed as they can play an important role for the success or failure of community projects.
- Strong demand for improving the quality of services creates opportunities to mobilize and involve people, and creates demand for activities outside the water supply projects. If no clear demand is shown within the target population, project implementation will need an extra effort.
- While the results of social mobilization were impressive, they also reflected the weakness of local government at the time. Once the situation changes, and local self-governments become more capable of undertaking their functions effectively, the level of direct citizen engagement may decrease or take some other form.

Annexes

SOROKOVSKIYI V. (2009) 'Decentralization In Action: Raising Capacities Of Communities In Services Provision'. (UKR). Available at <http://despro.org.ua/upload/Decentralization%20in%20Action%20Book.pdf>

SOROKOVSKIYI V., OLSCHESKI A. (2011). 'Service Cooperatives – Solutions for Rural Water Supply in Ukraine. Analytical paper.' Available at http://despro.org.ua/media/articles/av_despro_01_2012_eng.pdf

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SOROKOVSKIYI V., ODYNYTSIA V. (2014) 'Improved Water Supply By Consumers' Eyes: Results of customer satisfaction survey in partner villages'. (UKR) Available at http://despro.org.ua/img/library/Publication_28042014_v2.pdf

SOROKOVSKIYI V., BONDAR O., et al. (2016) 'Rural Drinking Water Supply: From Idea to Implementation' (UKR). Available at http://despro.org.ua/upload/medialibrary/DESPRO_2016_Silske_vodopostachannia_Posibnyk_ta_Dodatky.pdf

SOROKOVSKIYI V., (2016) 'Social Cases in Ukraine: Reaching Universal Access to Water Supply at Community Level' Available at <https://www.shareweb.ch/site/Water/blog/Lists/Posts/Post.aspx?ID=23>

DESPRO-Decentralised rural water supply model/ Short presentation of the decentralized rural water supply developed, piloted and promoted by DESPRO in Ukraine. https://www.slideshare.net/slideshow/embed_code/key/MuWKa1qBqZZhNW

Online training course "Rural Water Supply: From Idea to Implementation" (<https://udl.despro.org.ua/course/view.php?id=63>)

Web-resource "Voda v selo" (English: Water to Village, <http://vodavselo.info/>)

Project video "Ukraine: Way Towards Good Governance in Rural Water Supply" https://www.youtube.com/watch?v=BZTlyaD_Qiw

Project videos: <https://www.youtube.com/watch?v=Uaaymk6dUwc&t=6s>

<https://www.youtube.com/watch?v=KVptbex-sul>

<https://www.youtube.com/watch?v=lgTc4yJ1Ks>

