


Swiss-Ukrainian project
DESPRO
Decentralization Support in Ukraine

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WATER SUPPLY AND SANITATION IN AMALGAMATED TERRITORIAL COMMUNITIES



**PUBLIC
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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

Since 2007, community-based management of water supply was developed and implemented by the DESPRO project in several rural communities across Ukraine. From 2014 onwards, in the context of the decentralisation reform in Ukraine, the relevance of community-based approaches for service provision was under question. Indeed, the decentralisation reform aimed at increasing the individual capacities of smaller communities through their amalgamation. Since then, DESPRO has been focusing on “local government-led projects”, providing direct support to local self-government bodies to deliver municipal services, including water supply and sanitation.

In Ukraine, water supply systems are under the responsibility of local authorities. The most common way of managing water services is under the category called “publicly owned – publicly managed”. Most communal centralised water supply systems are managed by local municipal companies (*communal enterprise is the commonly used term*).

As in most developing countries, in villages and small towns of Ukraine, local service providers



responsible for the day-to-day management of drinking water schemes have a range of challenges to address, such as ensuring the smooth and sustainable performance of facilities and equipment, the financial sustainability of the water schemes, meeting social and environmental requirements and ensuring the transparency of the service. Ignoring these important components of the service may result in shortening the lifespan of the water systems. The institutional, technical and financial management mechanisms introduced with the support of DESPRO have proven to be effective in helping both local authorities and service providers improve the quality and extend the lifespan of water schemes. These mechanisms thus play an important role in increasing aid effectiveness.

This brief presents some highlights linked to developing the capacities of local authorities and public utilities (communal enterprises) in Water Supply and Sanitation (WSS) service provision, with a focus on engagement with small towns and Amalgamated Territorial Communities (ATCs) after 2014¹.



¹ DESPRO's activities in rural water services are detailed in a separate publication (see <https://despro.org.ua/en/> for more details)

2 Achievements (2014–2020)

The achievements below refer to the results of DESPRO's engagement with small towns and partner Amalgamated Territorial Communities since 2014.

Access to WSS services

- Over 32'000 direct beneficiaries have received *access to water and sanitation services for the first time or significantly improved supply for the first time* as a result of the cooperation between DESPRO and 15 small cities/ Amalgamated Territorial Communities (ATCs) in 6 partner regions: Sumy (Romny town, Krolevets town, Bereza ATC, Shalyhine ATC), Dnipropetrovsk (Pereshchepine town, Vakulove ATC, Troitske ATC, Novooleksandrivsk ATC), Vinnytsia (Kalynivka ATC), Ivano-Frankivsk (Tlumach ATC, Verkhnia ATC), Poltava (Myrhorod town, Piriatyn ATC), and the Luhansk Government Controlled Areas (Bilovodsk ATC, Krasnorichensk ATC);
- The programmatic approach in the WSS sector introduced by DESPRO at the local level has consistently led to an increase in overall levels of service provision and governance of the sector. The number of people benefiting directly and indirectly from *improved overall WSS services* in partner ATCs is estimated to be at least 173'000 residents.

Management of WSS services

- The programmatic approach to WSS sector development implemented by DESPRO in partner communities allowed local self-governments and communal enterprises to plan adequately the development of the sector for the whole community over a 4-year period, including the allocation of financial resources at mid-term basis;
- The introduction and installation of an asset management system using QGIS software has made it possible to map the status of the WSS network and plan for capital and operational maintenance and further development.
- The development of WSS in partner



communities was integrated into local policies and procedures, considering also issues of strategic development for the relevant community;

Funding of WSS services

- Partner communities mobilised at least 50% of the total project costs from their local budgets to co-finance the implementation of specific activities approved in the local Water Supply programmes;

Capacity-building for WSS services

- The capacities of at least 100 people were reinforced, including community leaders, local self-government officers, communal enterprises staff who 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;
- A series of manuals, practical guides, videos have made this specific knowledge available for thousands of other local government and WSS professionals, reaching thousands of practitioners².

² DESPRO web-resource www.vodavselo.info (English: Water to Village) has become a demanding knowledge tool. According to Google Analytics, since its start in 2016 more than 53'000 unique users visited the resource (Google Analytics); the number of returning visitors exceeds 6'500.

3 Process/Methodology

The DESPRO support to small cities/ Amalgamated Territorial Communities (ATCs) consisted of two interrelated components:

1. Participatory WSS sector planning;
2. Improving the performance of WSS service operators (communal enterprises) by addressing technological, organizational and financial issues.

The following activities characterize the approach used:

- a. Comprehensive audit of the system
 - Assessment of planning structure and management processes in the sector at community level;
 - Assessment of WSS operator on:
 - the efficiency of managing financial and non-monetary assets of the enterprise;
 - accounting and financial reporting;
 - processes to carry out technical and economic analysis;
 - competences of the management and staff;
 - competences to use strategic planning and programming tools to support economic activities;
 - the overall technical status of water supply system.
- b. Participatory sector planning

The highlights from the audit paved the ground for strategic sector planning and programming. The strategic planning framework should ensure the improvement of the service at the scale of the entire community. In order to support



strategic decisions, baseline surveys were conducted for a sample of the community. The survey aimed to understand the current status of access to drinking water and sanitation, but also to assess the need for improvement. The strategic decisions formed the basis of a targeted mid-term WSS sector development programme for a 4-year period, including estimated funding for hard- and software development. For more details on the above, please refer to Kozak & Kozlyuk, 2019.

- c. Communal enterprise development plan
The level of performance of the service provider is one of the key success factors in delivering WSS services. Specific support was provided to the communal enterprise in a form of *Communal enterprise development plan*. This document addresses all emerging and strategic issues at the level of enterprise: financial, management and technical.

- d. Introduction of QGIS-based asset management system

The installation, adaptation and training for responsible staff had for objective for enterprises to integrate this modern asset management tool in order to map the real status of the WSS network, and plan capital and operational maintenance and further development. These tools were installed in 10 partner communal enterprises. For more details on the above, please refer to Kozlyuk, Skliarov and Kozak, 2019.

- e. Performance based co-financing of hard- and software

DESPRO provided co-financing for modernisation and development of water supply and sanitation systems in line with approved mid-term development programs. Usually the co-financing was provided on 50/50 basis, and the other

half had to be covered from local budgets. The co-financing was oriented to contribute to the community's own activities. DESPRO funding was provided in several installments, according to the progress shown by the community in undertaking relevant action and fulfilling their own financial commitments.

f. Training, coaching and monitoring

The support package of DESPRO also included extensive training, including individual and

group workshops, in-region and inter-region exchange visits, on-the-job training, technical supervision of physical works, on-site coaching and monitoring visits.

For more details on the above, please refer to: Web-resource "Voda v selo"; Project video "Ukraine: Way Towards Good Governance in Rural Water Supply"

4 Lessons learnt

■ **Sector development programmes take time and sustained engagement to show results:**

More time for building the capacities of local self-governments and communal enterprises brings sustained institutional changes; DESPRO experience shows that results are usually visible after at least four years of sustained engagement.

- **'Leaving no one behind' benefits from engagement with local governments:** under the community-based approach previously applied in the DESPRO project, households were expected to make significant financial contributions, which were not always affordable for all. However, local governments have become financially stronger and can

take an increasing share of the costs of WSS services provision on themselves. DESPRO's approach is to make beneficiaries pay only for the connection fee to the water supply or sewerage network. Usually, the amount to be paid is affordable, thereby ensuring that the connection to the water or sewerage network is affordable, even for 'the poorest of the poor'.

- **Preference for infrastructure over institutional investments:** Many problems identified at community level (including communal enterprises) require institutional investments but communities usually seek hardware interventions.

Resources

1. Kozak V., Kozlyuk O. (2019) Development of sectoral strategies and programs for water supply and sanitation in the amalgamated territorial communities: a practical guide. https://despro.org.ua/library/publication/rozr_galuz_strateg_2019.pdf
2. Kozlyuk O., Skliarov V., Kozak V. (2019) Specificities of carrying out inventory of technical condition and valuation of assets of public utilities of water supply and sanitation system using the QGIS software product: a practical guide https://despro.org.ua/library/publication/osob_prov_inventar_2019.pdf
3. Sorokovskyi V., Bondar O., et al. (2016) 'Rural Drinking Water Supply: From Idea to Implementation' (UKR). Available at https://despro.org.ua/upload/medialibrary/Despro_voda_print.pdf?fbclid=IwAR2Pq6--rBK7dLPphbkSk56304KG5iyhNyx_OJG3TPSUz0QWvIKCY2FLs-s
4. Online training course "Rural Water Supply: From Idea to Implementation" (<https://udl.despro.org.ua/course/view.php?id=63>)
5. Web-resource "Voda v selo" (English: Water to Village, <http://vodavselo.info/>)
6. Project video "Ukraine: Way Towards Good Governance in Rural Water Supply" https://www.youtube.com/watch?v=BZTlyaD_Qiw

