

## JOINT DONOR EXTERNAL EVALUATION 2007/2008

### A MANAGEMENT RESPONSE

#### Key Achievements and Challenges

##### *General*

We are pleased at the positive overall nature of the Evaluation and its assessment that GWP has done a good job at consolidating and strengthening the partnership over the 2004 – 2008 strategy period. It is also satisfying to see the recognition being given to the growth of the GWP Network, the quality of the people and organisations making up the partnership and the improvement that has been made to the financial management and accountability systems now in place. We strongly endorse the key recommendations of the External Evaluation for GWP to "re-energise, re-strategise and re-organise". All the findings and recommendations of the Review have been considered in developing our new strategy for 2009 – 2013. The Strategy will itself form the principle evidence of the response of the GWP Network to the Evaluation.

Strengthening the networks further, particularly the Regional partnerships, so that they can better serve the Country partnerships as well as Area Water Partnerships in regions where they occur, remains a goal. This includes addressing how to build stronger and more effective regional secretariat, how to improve upon how we engage with our Partners, how technical expertise needs to be mobilised at the country and regional level and how this is mutually reinforced with the global Technical Committee; improving knowledge sharing and enhancing the Toolbox as part of an overall knowledge sharing and communications strategy as well as improving fundraising.

In the last few years there has been a concerted effort to focus attention towards improving capacity and effectiveness of international and regional advocacy with successful results in many cases. In a sense, this shift has to a certain extent detracted from international policy advocacy and more overt attention has been given to emerging issues, most notable of which is climate change. The Evaluation has identified this as an area needing more attention. TEC has been reviewing its structure and modus operandi to strengthen its capacity to provide appropriate focus on intellectual leadership on IWRM and advocacy that ensures a stronger connection between international and regional issues.

#### Findings

##### *Global Level*

We welcome the finding that "GWP remains a distinct and critical part of the global institutional landscape". The findings do however highlight a number of areas of significant challenge and where changes to the way GWP operates at the global level are suggested. In particular, the need to demonstrate the relevance of IWRM in a changing world where climate change has become the dominant issue. Without reducing focus on the on-going IWRM agenda, we accept the importance of re-establishing our global profile and the need to broaden our outlook beyond the water sector to encompass food and energy security, climate change adaptation and economic growth for poverty reduction. The new GWP Strategy 2009 – 2013 has this at its core.

##### *Regional Level*

The Evaluation rightly highlights the variability in the regions to contribute to the regional policy agenda, to participate in transboundary water management issues, to support country partnerships

to manage their programmes and to engage in fundraising at the regional level. This variability is clearly a function of various factors such as the history and geopolitics of each region, regional leadership, the maturity of each of the regional partnerships, the differing priorities in the regions and is also a reflection of the fact that GWP's regional agenda is developed in response to regional realities.

The Evaluation mentions that a consequence of the transition from RTACs to RWP was the loss of technical advisory capacity within the regional structures. This lack of local technical advice may lead lack of focus on substantive matters or to a lack of information sharing across the network. This is not correct. In fact, the direct opposite is the case. Plans were done in a local participatory way with no external experts involved apart from the Reference Group review towards the end of the process, and were locally owned.

The Evaluation highlights the beneficial effects of the restricted programmes funded by three of GWP's financial partners. Although these programmes have been focussed on implementation and are leading to positive outcomes, in terms of national IWRM planning, there are drawbacks relating to the capacity at country, regional and global level to service a more project-oriented management and reporting regime. This has distorted the operational approach of GWP and required the allocation and in some cases diversion of significant support from core-funded activities. In future more care will be taken to ensure any restricted funding fits within the organisational and administrative systems of the GWP and does not divert core funds away from other activities.

#### *Country Level*

The achievements at country level are identified by the Evaluation. The failures which are identified are in essence the historical failures of the sector as a whole to raise the political imperative of water management, linked to agriculture and food security, hydraulic infrastructure for energy, flood management and drought alleviation, water supply and sanitation to economic growth and national development. This is a key component of the new strategy for GWP. With the exception of a few regions including South Asia and Southeast Asia, the establishment of CWPs is a relatively recent development closely linked to the accreditation of the RWPs. The pressures on the network from this rapid expansion of CWPs was underestimated and will need to be addressed in the change management process in order to secure the sustainability of the organisation.

#### *Balance between different levels*

The perception of "centralisation" of the GWP network is of concern although some rational interpretation may be appropriate. The regional and country water partnerships are the focus of the organisation, although GWP includes the "north" in the way it can contribute through the provision of expertise, lessons and support even though the "south" is where GWP works to make impact. It is certain that some of the perceptions of centralisation stem from the introduction by the Secretariat in Stockholm of transparent and effective standards of management of restricted funded programmes that have had to accompany the establishment of more regional autonomy and financial control. The regions, and the regional host institutions, receive most of their funding through the GWPO and must therefore be accountable through the GWPO to the donors who make these funds available. Where funds are raised locally then the same standards of financial accountability must apply although the accountability is not through GWPO. Regions are expected to reflect receipt of these funds as GWPO reflects these funds in the financial report. Clearly, demonstrating transparency and accountability are a necessary component of any local fundraising strategy. Perceptions of centralisation could also stem from the need to protect the GWP brand name, especially through the enforcement of the conditions of Accreditation policy.

### *GWP Governance*

GWP is carrying out a very careful assessment of the implications to GWP and the donors of the Evaluation recommendations on organizational change. Issues and questions to be addressed include:

- GWP's governance model (roles and responsibilities of committees and units, including TEC and the Secretariat).
- GWP's organizational structure as a network of networks (roles, responsibilities and relationships of RWPs, CWP, AWP, roles of "hubs", issues of coordination and communication.)
- Financing of GWP, including resource mobilization, allocation, & sustainability.
- Role of the Secretariat, including location, staffing, internal organization and management, communication and financing.

The development of organisational changes will happen in parallel with and as a response to the development of the GWP Strategy 2009 – 2013 and will be implemented over the strategy period.

### *Financial Performance*

We are pleased that the significant efforts that have gone in to creating proper financial control systems are recognised by the Evaluation Team, and that the administrative effort and costs are seen as being appropriate.

We recognise that significant challenges remain in both attracting and reporting funds raised at country and regional level. In particular, it is difficult to capture the full extent of the significant, in-kind contributions that are made and more work is needed in this area. A fundraising strategy has been developed and is being implemented at global, regional and country levels. Nevertheless, it is recognised that more efforts are needed, particularly at country and regional levels, to clarify roles and responsibilities for fundraising efforts including the type and sources of funds, and to develop relevant skills. At the same time, this is linked to the legal status that the partnerships have at regional and country level.

Much is made in the Evaluation of the need for “financial sustainability” of the GWP network. Whilst we fully agree that fundraising efforts need to be developed, we consider that the use of the term “sustainability” in the context of GWP funding is misleading. As was noted in the 2003 Evaluation, GWP is a creation of the donors and, as such, it must rely substantially on the continuing will of the donors to support it. The sustainability of the Network is more an issue of GWP continuing to meet that will and to provide a service that both helps countries to improve the management of their water resources and responds to regional and country demands as well as the policy priorities of the donor community. If the Partnership is doing meaningful work and partners need GWP there should in time be some form of commitment from Partners to sustain the activities of the partnership.

The new Strategy for GWP for the period 2009 to 2013 provides the basis to renew the connection that GWP will provide between countries and donors on policy and implementation needs. We are therefore optimistic that our continuing work will be guided in a way that ensures continuity of donor funding and thus financial sustainability.

### *Communications, Knowledge Management & Performance Management*

We recognise that a more strategic approach is needed towards communications and knowledge management at all levels of the GWP network. The new Strategy for GWP 2009 – 2013 will include communications and knowledge management as one of the strategic priorities. A Communications Strategy is under development and this will include more attention to communications at the

regional level, knowledge sharing and further development of the Toolbox. We are aware that language is a serious barrier when it comes to knowledge sharing and we will take this into account to enhance our capacity building programmes and communication initiatives. An example of this is the Lusophone Water Partnership, an informal partnership of Portuguese speaking countries that involves GWP Brazil and several other countries in Africa. Without losing a global identity, documents and events should be put in the regional context in order to be better assimilated and to generate ownership.

The adoption of Outcome Mapping for performance management and reporting has been adopted by decision of the GWP Steering Committee. This tool is currently being rolled out to the GWP Network with a training programme linked to both the annual reporting needs of the GWP and the development of the new Strategy 2009 – 2013. Much work still needs to be done to develop shared understanding and skilled use of Outcome Mapping.

### **The Way Forward and the Key Recommendations**

The GWP strongly endorses the key recommendation of the External Evaluation for GWP: to “re-energise, re-strategise and re-organise”. GWP will implement this through the GWP Strategy 2009 – 2013.

The changes in the external environment in which GWP operates have been dramatic, whilst the growth of GWP has led to equally dramatic changes in the internal environment. A key element as we learn and move forward is to reaffirm the GWP core values and strategic direction so that ‘change’ is directly related to the strategic focus of the GWP and the nature of GWP as a network.

A renewed and stronger focus will be given to climate change, food security, population growth, urbanization, land-use changes and other emerging water challenges. To do this, climate change and other emergent issues have to be embedded in an appropriate part of the IWRM concept, theories, approaches and actions. Adapting and implementing IWRM in specific country contexts, including transboundary concerns, remains as the ultimate challenge. With IWRM as the underlying framework, more attention is needed to emphasise the importance of rationalizing water management to promote growth, environmental sustainability and equity, moving beyond advocacy of an idea/paradigm, to supporting its application. The best path will look very different in every country.

It is also clear that GWP governance structures will need to be streamlined to take account of both the changing external environment and the rapid expansion of the network over the last five years. Revising the overall governance (Sponsoring Partners, Steering Committee, Chair, Secretariat & TEC and the Region and Country Partnerships) in a careful and gradual manner is a process that has to develop to complement the new GWP Strategy 2009 – 2013.

Many of the points raised and recommendations in the Evaluation have been used to develop the terms of reference for a new Executive Secretary so that the person recruited to this vital position has the skills and necessary appreciation of the requirements in implementing the new Strategy as well as an understanding of the nature of the network.

The GWP donor partners also need to commit to the next strategy, both on the direction and financially, to provide the support necessary to make its execution feasible.

The recommendations of the External Evaluation are mostly of a fairly general nature. In particular, the approach of the Evaluation to a “decentralisation” process is simplistic in its analysis and misunderstands the nature of the GWP Network. Elements (for example the principles of TEC being

regional and global and providing appropriate links and the use of change management expertise) are relatively uncontroversial but need careful planning for effective implementation. . We accept that the Secretariat should have a more service and operational focus based on knowledge, brand management and donor stewardship. However, some recommendations may contradict this focus. For example, the role and location of Network Officers, the role of the Secretariat, the allocation and management of funding and the proposal to relocate the Secretariat from Stockholm have many implications for the effective functioning of the GWP Network which are being addressed through the organisational changes being developed to implement the new Strategy.

## Annex 1

### Response to Key Recommendations

Recommendation	Management Response
<p>GWP should “<b>Re-energise, Re-strategise and re-organise</b>”.</p> <p>Organisational development and change management expertise should be engaged to advise on development of a detailed Change Management Plan for Steering Committee consideration.</p>	<p>We strongly endorse the key recommendations of the External Evaluation for GWP to "re-energise, re-strategise and re-organise".</p> <p>The recommendations of the External Evaluation on organisational development are mostly of a fairly general nature. Change management expertise is being used to develop organisational change proposals to be implemented during the new strategy period..</p>
<p>Integrated Water Resource Management should remain GWP’s central message. However, the global profile needs to be updated by more actively and visibly defining the relationship between emerging global challenges and water resource management. A clear global advocacy strategy should be developed with two prongs: 1. global advocacy on selected issues and 2. Technical initiatives that support country water partnerships to discuss and consider how to manage these emerging challenges.</p>	<p>Adapting and implementing IWRM in specific country contexts, including transboundary concerns, remains as the ultimate challenge. With IWRM, as the underlying framework, more attention is needed to emphasise the importance of rationalizing water management to promote growth, environmental sustainability and equity, moving beyond advocacy of an idea/paradigm, to supporting its application.</p> <p>A renewed and stronger focus will be given to climate change population growth, urbanization land-use changes and other emerging water challenges. To do this, climate change and other emergent issues have to be embedded in an appropriate part of the IWRM concept, theories, approaches and actions.</p>
<p>Reduce the size of the Steering Committee to a maximum of 10 representatives from countries/regions with technical input from water and other allied areas. The SC will make decisions on key policy directions and support the new Chair to work through a series of challenging change processes.</p>	<p>It is clear that GWP governance structures will need to be streamlined to take account of both the changing external environment and the rapid expansion of the network over the last five years. Revising the overall governance (Sponsoring Partners, Steering Committee, Chair, Secretariat &amp; TEC and the Region and Country Partnerships) in a careful and gradual manner is a process that has to develop in parallel as well as in response to the new GWP Strategy 2009 – 2013.</p>
<p>Re-shape the organization for bottom-up accountability with a key goal being supporting countries to become self sufficient. This would entail:</p>	<p>Revising the overall network organisation in a careful and gradual manner is a process that has to develop in parallel as well as in response to the new GWP Strategy 2009 – 2013.</p>
<ul style="list-style-type: none"> <li>○ A smaller global secretariat structure focused on global knowledge management, liaison</li> </ul>	<p>The size of the Secretariat will continue to be maintained at an appropriate level adequate to service the needs of the Network. The</p>

<p>with donors/funders, and brand management. Review what needs controlling from the centre whilst still maintaining the integrity of GWP. The secretariat is accountable to the Steering Committee which is now representative of the regions. Consider the pros and cons of moving the secretariat out of Stockholm to free GWP from excessively complex governance structures.</p>	<p>perceptions in the Evaluation on centralised control do not reflect the reality of the working of the GWP Network. The Regions are to all extent and purpose independent, set their own strategies within the umbrella of the overall GWP Strategy and GWP core values. They are accountable to the GWPO only for the proper use of funding provided through the Secretariat. There is no logic to support the move of GWPO out of Stockholm and this matter is not on the agenda of the diplomatic and donor community who sponsor the GWPO.</p>
<ul style="list-style-type: none"> <li>○ Stronger and better resourced regions that pro-actively engage in regional policy advocacy, provide technical support to countries and share knowledge amongst the countries. The regions are accountable to the countries they represent. The resources for the network officer positions are moved to the regions. Regional Secretariats ideally do not rotate to preserve institutional knowledge.</li> </ul>	<p>The proposal in the Evaluation to move the Network Officers from the Secretariat to the regions is strongly opposed by the GWP Regions themselves, who see the NO role as an essential component of the link between the regions and the global network. Rotation of Regional Secretariats is not ideal and should be minimised for efficiency. GPO is working with the Regions to minimise the frequency of rotation.</p>
<ul style="list-style-type: none"> <li>○ Countries better resourced and able to “facilitate IWRM implementation” through proactively engaging with national and sub-national policy and legislation and facilitating implementation at the grassroots level.</li> </ul>	<p>The first priority is to build the Regional Partnerships to make them more self-sustainable and better able to support the Country Water Partnerships. Resourcing at Regional and Country levels remains a critical challenge to overcome.</p>
<ul style="list-style-type: none"> <li>○ A mechanism is provided for inter-regional cross fertilisation of ideas and for sharing knowledge and lessons learned.</li> </ul>	<p>This recommendation is endorsed and will be implemented through greater focus on inter-regional coordination and through the development of proposals to better service and coordinate the technical needs of the GWP Network at all levels, from country to global.</p>
<ul style="list-style-type: none"> <li>○ Strengthen and refine the current arrangements for the TEC to fit with the above ensuring the integrity of its global role and developing more tailored technical resource facilities for regions. Any such facility should consider how best to leave the knowledge within the network and build the skills of</li> </ul>	<p>Servicing the Technical Function within the GWP Network is undergoing analysis and change. Not only should this be closely integrated into the overall operations of the GWP Secretariat and Network, it needs to be addressed at different levels, as follows,;</p> <ul style="list-style-type: none"> <li>● At the global level : –             <ul style="list-style-type: none"> <li>○ to provide clear technical insights to lead and inform policy makers</li> </ul> </li> </ul>

<p>regional technical experts who in turn support countries. Recruit high level charismatic global water advocates.</p>	<p>on emerging issues, drawing on the forward thinking of acknowledged word experts;</p> <ul style="list-style-type: none"> <li>○ to provide high quality, peer-reviewed and evidence-based information and background material to support the needs of practitioners of water resource management at all levels.</li> <li>● At the Regional &amp; Country Level : –       <ul style="list-style-type: none"> <li>○ to provide technical advice and support on issues of specific relevance to regional and country needs.</li> </ul> </li> <li>● Across all levels : –</li> </ul> <p>To coordinate and promote the provision and sharing of knowledge and experiences country to country, region to region, regions to global and global to regions, to integrate knowledge as part of the communications culture of the GWP network.</p>
<p>Donors support GWP to implement these changes in the next phase of its evolution. The donor role in the new GWP would be harmonised in its approach. Donors would meet once per year to agree on a common approach to GWP, and would elect one representative to be an observer on the Steering Committee.</p>	<p>A more strategic relationship with the donors is being pursued, associated with a desire for greater core support in response to the new GWP Strategy. Discussion has also started on redefining the donor role in the global governance of GWP.</p>

## Annex 2

### Response to Minor Recommendations

Recommendation	Management Response
<b><i>Global Policy and Alliances</i></b>	
There should be a clear link between issues selected for global advocacy and the policy priorities of developing countries.	The role of TEC as the “intellectual driver” of GWP and IWRM needs to be strengthened, and this role needs both to lead, inform and respond to developing country priorities.
GWP strategic alliances - “Alliance Partners” - should be clearly linked to the policy agendas GWP chooses to influence. The purpose of these partnerships should be clearly communicated throughout the network	These principles are accepted.
<b><i>Strengthening the Network</i></b>	
In a number of countries, a longer term vision with clarity on what GWP hopes to achieve at country level (as defined by that CWP Steering Committee) will greatly assist in fund raising	Agreed. Development of regional and country strategies is being encouraged.
Formal registration (recognised legal status) of the partnership in countries, where the local laws will allow this and where it does not jeopardise the neutral platform of the partnership, may assist in obtaining funds locally	Agreed. Country Partnerships need a legal identity, either themselves through registration or through a proxy, before funding can be provided from the Regional partnerships or from local donors.
Countries need technical assistance to help them “facilitate implementation” and move beyond talking about IWRM in concept. Some regions have already developed mechanisms to provide support at country level, others could benefit from this.	GWP’s role as a facilitator needs to be preserved.
<b><i>Governance</i></b>	
Greater clarity and precision in the role and naming of GWP membership and structures would be useful. The term “Partners” is used for many structures, including members.	This has been addressed in the past through the Policy of Partners. Some minor clarifications of terminology may be appropriate.
Consider whether the new practice of holding annual meetings globally every second year fulfils the Statute requirement of an Annual Network Meeting.	The costs of such meetings are high and a review of the benefits of annual or biennial meetings needs to be concluded. The GWP Statutes may need to be changed.
Steering Committee members should have responsibility to report back to the members they represent.	This will depend on the nature of reforms to the SC and its membership.

<p>The Steering Committee meetings should be structured to enable space for debate and time to agree strategic direction. Less items purely for information, more for decision.</p>	<p>This is already being implemented.</p>
<p>Output based budgeting and financial reporting would be a useful management tool for TEC.</p>	<p>Noted. This issue will be addressed as part of the review of the Technical Function of the network.</p>
<p><b>Financial Performance</b></p>	
<p>Whilst strong financial and management procedures have strengthened the network, it has created a sense of “looking up” for approval of initiatives. This should be balanced by an ongoing encouragement of innovation at country level both in terms of future direction and funds seeking.</p>	<p>A balance needs to be found between financial accountability and regional autonomy. A focus on strengthening regional capacity and expertise should contribute towards a greater sense of regional autonomy.</p>
<p>Clear guidance should be provided on grant budget limits and the number of likely successful proposals to prevent wasted effort at country level.</p>	<p>Agreed. Strengthening regional capacity should assist in this regard.</p>
<p>The GWP SC could usefully inspect country level expenditure to assess financial sustainability of the network at country level.</p>	<p>This is not the mandate of the SC. The CWP SC’s should be responsible for CWP expenditure, fund raising and sustainability. The RWPs oversee expenditure and support on CWP’s on sustainability issues.</p>
<p>Contributions in kind and locally raised funds should be accounted for in country level financial reporting to provide a better picture of the overall size of the partnership and local ownership.</p>	<p>Agreed. Efforts to capture locally raised funding of all sorts are being increased.</p>
<p><b>Communications, Knowledge Management and Performance Management</b></p>	
<p>Systematic follow up of Learning Review key recommendations would be useful.</p>	<p>Agreed. The Learning Review ToRs have been amended to incorporate this matter.</p>
<p>Topic based twinning arrangements could facilitate south-south learning</p>	<p>Agreed.</p>