

NEW BUSINESS MODELS FOR AID AND DEVELOPMENT

New Partnerships for Sustainable Development

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Abstract

The demographics of developing nations show exponential levels of unplanned urban growth. This brings huge infrastructural engineering challenges. The old models of simple rural water supply and sanitation schemes are not applicable in the densely populated unplanned urban communities that are rapidly appearing within developing cities. The complexity of retrofitting unplanned urban communities with water supply, sanitary sewer, and other services requires new and innovative development models. The pressing urgency of these situations has prompted World Vision to proactively look for strategic alliances to enable it to be an effective aid organisation in the 21st century.

Synergine Group is investigating an innovative business alliance with World Vision New Zealand to facilitate aid and development to urban areas. These two organisations have vastly different skill sets but an aligned philosophy for the future of aid and development. Synergine brings expertise in knitting together strategic alliances between funding organisations, developers, contractors and municipal utility authorities, together with its expertise in infrastructure planning, design and project management. While World Vision brings its understanding of local community needs and network of on the ground local staff to ensure that projects are targeted to the right needs and development money is managed efficiently and ethically.

The concept of Synergine-World Vision project partnerships has developed in response to the World Summit pledge to halve the number of people without access to safe drinking water and basic sanitation by the year 2015. This alliance would mirror other similar initiatives occurring worldwide to facilitate urban infrastructure development and retrofit projects, without burdening already stretched budgets or compromising the donation base of large multinational aid agencies

Introduction

Earlier this year world leaders at the World Summit on Sustainable Development in Johannesburg committed to halve the number of people without access to safe drinking water and basic sanitation, by the year 2015.

“The provision of clean drinking water and adequate sanitation is necessary to protect human health and the environment. In this respect, we agree to halve, by the year 2015, the proportion of people unable to reach or to afford safe drinking water (as outlined in the Millennium Declaration) and the proportion of people who do not have access to basic sanitation, which would include actions at all levels to:

- Develop and implement efficient household sanitation systems
- Improve sanitation in public institutions, especially schools
- Promote safe hygiene practices

- Promote education and outreach focused on children, as agents of behavioural change
- Promote affordable and socially and culturally acceptable technologies and practices
- Develop innovative financing and partnership mechanisms
- Integrate sanitation into water resources management strategies.”

Walk into any one of the scores of slum settlements housing two million people in the city of Nairobi and the scale of this task for even one city becomes immediately apparent. At almost every turn, a sickly sweet stench of urine wafts from between the huts. Barefoot children play beside trenches flowing with streams of stinking effluent. In one slum known as “Ghetto”, a fetid labyrinth of claustrophobic dirt lanes, there are only five toilets for more than 2000 people. For most people here, the “flying toilet” is the only way of answering nature’s call. You simply use a plastic bag and then fling it as far out of sight as possible (NZ Herald 7/11/02).

Reuters reports an interview with one resident: “First thing in the morning, the flying toilets are rampant,” said Martha Njoki, as a group of other women in a courtyard nodded in agreement. “Sometimes you are walking down the path and you see bags of human waste, people have just thrown it there.” (NZ Herald 7/11/02).

Consider that Njoki and her neighbours are just a handful of the 3 billion people worldwide who lack access to decent sanitation, and 1.2 billion who do not have access to clean drinking water and the scale of the World Summit pledge seems mind-boggling.

The Need for Urban Infrastructure Development: Size of the Task

Demographic trends indicate exponential rates of population drift to urban centres so that now over 50% of the world’s population is now living in cities, with the other half increasingly reliant on urban areas for their economic survival. In 1996 United Nations (UN) reported that 30-60% of the world’s urban population live in low-income countries, and lack adequate housing with sanitary facilities, drainage systems and piping for clean water. Environmental pollution in urban areas is linked to poor health and high mortality. Also the re-emergence of TB in a number of developing countries highlights clear links to increasing poverty and deprivation in urban areas (McHarry 2002).

Almost half of the human population suffers from diseases related to insufficient or contaminated water. Water-borne bacterial contamination has the most devastating impact on women and children who lack basic food and sufficient access to doctors and medicine. Poor water quality is also directly linked to the problem of water borne diseases, including schistosomiasis, which infects some 200 million people per year from drinking water that contains the parasitic worm. Additionally, millions of people every year contract diseases transmitted by insects whose larvae live in water. More than 250 million people annually thus contract malaria through living in proximity to stagnant water, 90 million contract filariasis, 30 to 60 million have contracted dengue fever, and some 18 million people have contracted river blindness in this way (McHarry 2002).

For these reasons “priority should be given to measures that improve quality of life and health by ensuring a safe and sanitary living environment for all population groups through measures

aimed at avoiding overcrowded housing conditions, reducing air pollution, ensuring access to clean water and sanitation, improving water management, and increasing the safety of the workplace.” (Cairo 1994).

One of the most pressing issues is in meeting basic provision of water supply and sanitation. 20 % of the world's population still lack access to safe drinking water and 50% lack adequate sanitation, a statistic that has not improved since the end of the eighties international water supply and sanitation decade. The UN Secretary General's report to the eighth session of the UN Commission for Sustainable Development on the progress made in providing safe water supply and sanitation during the whole of the 1990s paints a bleak picture of the present status of water supply and sanitation provision. Latin America, Asia and Africa are facing the greatest difficulties (Figure 1).

Over the last ten years rural sanitation provision in Africa has decreased by 2%, and the low levels of urban water supply and sanitation have hardly

improved. Urban water supply in Asia has also fallen since 1990. In Latin America sanitation in rural areas has remained low (Figure 2). Arid and semi-arid areas, especially in West Asia and North Africa, are likely to be most impacted by increased water stress (Gardiner 2002).

The World Bank recently estimated that \$600 billion investment in water supply and sanitation infrastructure implementation would be necessary to reach full water supply and sanitation coverage.

In light of the pressing urgency of the situation, World Vision has begun to investigate the concept of project partnerships with Synergine Group. So together World Vision and Synergine Group can effectively work to be part of the realisation of the World Summit pledge to improve availability of clean water and sanitation by the year 2015. These two organisations have vastly different skill sets but an aligned philosophy for the future of aid and development.

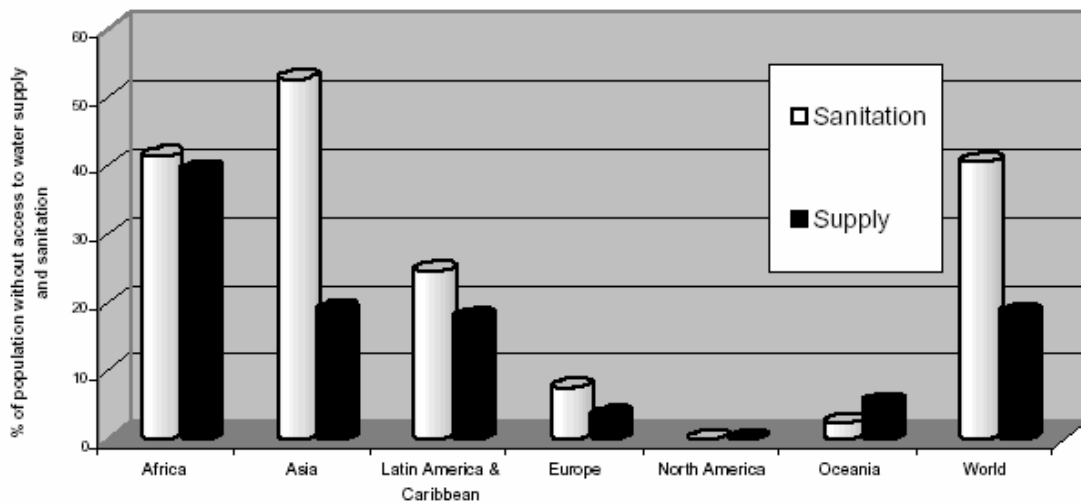


Figure 1. Lack of access to Water Supply and Sanitation by region (ECOSOC, 2000)

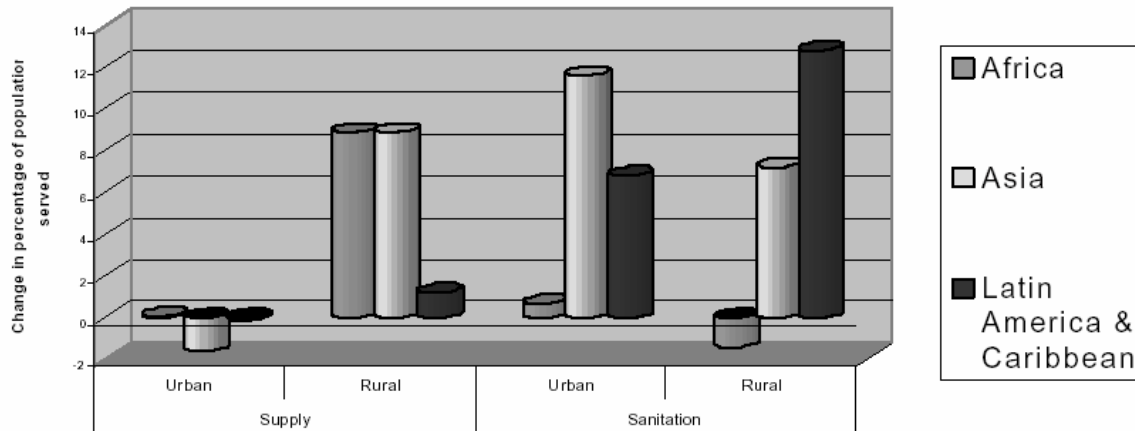


Figure 2. Change in Water Supply and Sanitation for Africa, Asia, Latin America/Caribbean, 1990-2000 (ECOSOC, 2000)

World Vision NZ

World Vision is an international Christian humanitarian aid and development organisation, involved with development and relief projects in over 100 countries. World Vision New Zealand currently supports more than 70 projects in 18 of these countries. World Vision works in three different areas: Emergency Relief, Rehabilitation and Community Development, helping transform the lives of children and families in need around the world, without regard to religious beliefs, gender, race, or ethnic background. It has a unique understanding of local community needs and its network of on the ground local staff to ensure that projects are optimised to meet community needs and that development money is managed efficiently and ethically, with accountability in triple bottom line terms (social, environmental and economic).

In order to respond to the changing needs of the rapidly urbanising population in developing countries World Vision New Zealand is considering the possibility of developing an International Programme Consultancy similar to that already developed by World Vision Australia. Such a consultancy would enable World Vision NZ to assist in urban

infrastructure development and poverty reduction through formation of project partnerships and strategic alliances with specialist urban infrastructure development consultancies such as Synergine Group.

Synergine Group

Synergine Group was born out of a vision of the future of engineering and development, within New Zealand and globally. This vision depicts a different approach to the development process for the natural and built environment, moving away from the traditional 'client/principal-consultant-contractor' project relationships and processes which many service procurers have found limiting and often unsuccessful. The specific objective of this vision is to reach innovative solutions, via a more integrated, strategic and holistic development process, working closely alongside the client and fully within their specific brief and budgetary contexts. Synergine is able to achieve this objective by adopting a unique approach to its corporate structure. Stand-alone Strategic and Operations member companies merge seamlessly to give the Synergine Group a fresh and overarching view of projects and programmes from a strategic viewpoint. This makes it possible to identify and develop opportunities for innovation

right at the onset of a project, thereby leveraging maximum advantage for adding value. With integrated strategy and operations divisions, Synergine has the capacity to bring identified opportunities to fulfilment with innovative 'in-house' design concepts and management techniques.

Synergine Group is a values-based company. These values are core to every endeavour undertaken by the company and where foundational in its original conception. These values are displayed prominently in all our work locations and are communicated to all our staff and subcontractors. We at Synergine believe that successful synergy between two partners has its fundamental basis in a consistent and compatible values base. In this light Synergine believe this consistency and compatibility is there and outworks in our ongoing successful relationship with many significant local government and commercial sector clients. Synergine Group recognises the particular significance that local authorities, working on behalf of the community, must place on the strengthening of existing relationships with its community members.

Synergine Group, as a professional service provider, sees itself as providing a service to the community as a whole and to this end is committed to maintaining constructive and positive relationships with the general public, affected parties, interested parties, special interest groups and all other stakeholders. We are committed to the ethic of good stewardship of resources, especially those of our clients and wider community. Our commitment to this ethic is reflected in our pursuit of the highest possible performance in all areas.

Specifically Synergine Group professional skills lie in the area of

strategic planning, infrastructure planning, engineering design and project management. Synergine brings expertise in knitting together strategic alliances between funding organisations, developers, contractors and municipal utility authorities merged seamlessly with its expertise in infrastructure planning, design and project management.

Project Partnership Success

A Synergine Group and World Vision New Zealand project partnership would mirror similar initiatives occurring worldwide. At the World Summit in Johannesburg the concept of partnerships between governments, business and civil society was given a large boost. Over 220 partnerships focussed on water and sanitation projects were identified in advance and a further 60 announced at the Summit. The European Union also announced the "Water for Life" initiative that seeks to engage partners to meet goals for water and sanitation, primarily in Africa and Central Asia (Johannesburg Summit 2002).

The success of project partnerships relies on establishing and building positive working relationships between all partners and interested stakeholders to ensure that individual goals are identified and achieved, and the whole project is mutually successful.

Project partnerships aimed at combating urban poverty and improving urban health by addressing the cause of contaminated water supplies and inadequate sanitation present huge infrastructural engineering challenges. The old models of simple rural water supply and sanitation schemes are not applicable in the densely populated unplanned urban communities that are rapidly appearing within developing cities. The complexity of retrofitting unplanned urban communities with

water supply, sanitary sewer, and other services are likely to involve partners at international, national, municipal and local levels.

Synergine and World Vision

Synergine and World Vision would see their roles crossing local to international realms, acting as advocates, calling institutions to account, but also in supporting development of solutions for more integrated water strategies. Their key areas of involvement would lie in communicating information and building working relationships between members and stakeholders in the project partnership, and also providing specialist technical inputs where required.

National and Municipal Authorities

Project partnerships focussed on water and sanitation infrastructure development will only work in countries, where at a national level, governments have provided the enabling environment for local implementation (legislative, financial, human and technical capacities), as well as developed and implemented frameworks and regulatory mechanisms for support of participative and integrated processes across departments and regions. Internationally, governments need to take responsibility for linking water with wider priorities. This includes enacting transboundary watershed agreements and related environmental conventions, exchange of information and technology, as well as (human, financial, technical) support for those countries less able to adopt sustainable water strategies. And also improving knowledge about water resources, optimising water resources through management at the local water-basin level, and development of regulatory tools at global and regional levels to enable effective and integrated water resource management.

Local Communities

With the success of its Area Development Programmes (ADPs), World Vision already has relationships with local communities that have been built up over many years. ADPs usually cover large areas, involving several communities and will last for up to 15 years. Within ADPs, World Vision works with communities on a range of issues (education, health, food supplies etc.) to improve and sustain their quality of life. The formation of an ADP is only the start. The ultimate goal is to help communities develop the skills and confidence to manage their own development that will continue long after external aid partners have left the area. There are several important philosophies underlying ADPs. These include "Transformational Development", community ownership and sustainability. Work undertaken in ADP's is at the invitation of local communities and around the priorities set by local communities. While ADPs vary significantly in terms of structure and size around the world, the ADPs share many common characteristics:

- Community Based: ADP design and implementation is based on community needs and priorities. ADPs generally cover contiguous geographical areas or local government administrative units.
- Empowering: ADP facilitation processes in the communities build the capacity of the people themselves, and empower them to carry on their community development processes.
- Long-term Commitment: World Vision usually commits to long-term funding and involvement with communities - from 10 to 15 years.
- Multisectoral Development Interventions: Multisectoral

- interventions address the multiple causes of poverty and injustice.
- **Multiple Funding Sources:** Base funding comes from a combination of child sponsorship and public and private funds - as appropriate and where possible.
 - **Sustainable Development:** Empowered communities enabled to sustain improved livelihoods.
 - **Transformational Development:** Holistic development restores relationships and identity, and changes people's hearts and attitudes.
 - **Child Focused Development:** Children are included as agents of change in the communities.

With the success of Area Development Programmes we believe a similar approach can be used for urban community water supply and sanitation infrastructure development programmes, especially in urban slum areas. Synergine and World Vision would seek to partner with urban communities, helping them prioritise their needs and then enabling community involvement to produce more integrated, accountable and realizable plans. Empowering communities, through community organization and the development of community leadership to solve their own problems with support provided where necessary.

Assistance would be provided in researching needs of urban communities to optimise development projects, and together with local authorities, governments and international institutions Synergine and World Vision would work to make these community infrastructure development projects a reality.

Local Providers

Synergine and World Vision would provide assistance where required in management of the design and construction phases of infrastructure development projects. This ranges from development of solutions with appropriate and affordable technologies, which include, cost efficient water supply sourcing and reticulation to provide more water to more communities, and appropriate sanitary waste technology. Throughout this process, Synergine and World Vision would look to manage community ownership of projects, through community design input, construction labour inputs and other involvement. At all points in the design, construction and commissioning process we would be looking to transfer knowledge to the local community. Through involvement in the design, construction and also training communities on how to operate and maintain the water and sanitary waste systems.

Synergine and World Vision would seek to identify and select the most appropriate local providers as partners for each project. At all stages local provider involvement in the planning, implementing, and financing of projects would be fostered.

No single approach or technology can solve the variety of water problems that exist on our planet. Synergine and World Vision together with local providers, would strive to find the best solution for the conditions that exist in each location. Protecting clean water sources is always a better option than restoring contaminated ones. In the many places where clean water is simply not available, Synergine and World Vision would assist communities in the selection of water purification technology that is best suited to local conditions, whether a solar-powered water pump in Africa, an ultraviolet

water disinfection system in India, or a sand filtration system in Tibet. We would seek solutions that are the most cost-effective and reliable for long-term operation and maintenance.

Funding Partners

In identifying projects Synergine and World Vision will work in cooperation with other international institutions and funding organizations, which have roles ranging from technical/financial support, monitoring, conflict resolution, information dissemination and facilitation in formulating national Water Resource Management and sustainability strategies.

After identification of discreet infrastructure development work packages Synergine and World Vision would assist in developing and managing funding strategies which could include traditional funding from development banks, agencies, governments and other international institutions, or alternative funding such as private sector 'Build Own Operate Transfer' (BOOT) contracts, public – private partnerships, and other innovative venture capital solutions.

In all successful project partnerships there is a need to establish an understanding within the local community that ongoing operation and maintenance of any system will incur costs. Ownership of these ongoing costs may be established by a user fee or development of some other method of funding future repairs and maintenance of the water systems in conjunction with handover of infrastructural assets to local municipal authorities for long term operation and maintenance.

Conclusion

The need for sustainable development and particularly infrastructural development within the urban centers of

developing countries is not a new phenomenon. It is however evident that this situation will only be grossly exacerbated in the short to mid term.

While many individuals, groups and organizations, have worked tirelessly and hugely successfully within developing countries to improve living conditions, this work has for various reasons been largely centered on rural development projects.

We believe that a definite shift in focus will be needed to face the rapidly increasing challenge of urban centered development and infrastructural supply. We also believe that these new challenges will require a new approach, built around an holistic, multi-disciplinary, project specific team approach to achieve successful solutions to these unique problems.

Synergine Group, with a solid background in urban Infrastructural Development and Management, brings a definitive skill base ideally suited to the particular challenges of working in the urban setting and the management of 'partnerships' to achieve project targets. For these skills to be utilised to their fullest, within the international development context, it is essential that we form working partnerships with other organizations, which will help create the multi-disciplinary, problem solving approach that is required.

To this end we have investigated the potential of working together with World Vision, and ultimately other 'partners', with the aim of building project specific teams of individuals and organizations to identify, quantify and fulfill development project goals.

While our organization is fully, and tangibly committed to making a difference in the developing world we are fully aware of our limitations. As

with every participant at this conference we all have a definable role to play in international development. Synergine believes in the premise that “the whole is greater than the sum of the parts” and that development project success can only be fully attained through the power of working together!!

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