

## WATER MARKET SYSTEM IN WAJIR - KENYA

### EMMA (EMERGENCY MARKET MAPPING AND ANALYSIS) - AUGUST - SEPTEMBER 2012

#### OXFAM GB – LA NINA CONSORTIUM

#### 1. Summary of key findings and implications for response modalities

The present document summarizes the findings from the EMMA carried out in Wajir from the 30<sup>th</sup> of August to the 7<sup>th</sup> of September 2012. It recapitulates the rationale for the response recommendations proposed at the end of the document. The analysis focuses on Wajir North & West and extrapolates to the rest of the County where possible. The assessment aimed at informing the Contingency plan for the La Nina Consortium, looking more specifically at the scenario of severe drought.

Key actors	Findings	Implications for Oxfam's response
	<p><b>People's Access to Water, determined by the proximity to water sources and purchasing power</b></p> <p>In Wajir County, in North Eastern Kenya, during both rainy seasons (<i>Gu</i> from March to May, and <i>Deyr</i> from October to December), the population covers its water needs mainly with rain water and run-off water, collected in diverse surface collection points in particular in water pans, combined with permanent water sources (boreholes and shallow wells).</p> <p>During both dry seasons (<i>Jilal</i> and <i>Hagaa</i>), the population relies on shallow wells and boreholes, especially once water pans have dried. During normal years (2 consecutive rains that are average to below average), water collected in pans can last over the dry seasons depending on the capacity of the reservoir. During severe droughts (here called emergency year, where 2 consecutive rains at least fail, like 2010-2011), water pans are not anymore an option, from 1 to 3 months after the last rain.</p> <p>Water from earth pans is free though their access sometimes requires the payment of registration fees. <b>Shallow wells</b> are privately owned. While their access is insecure as it can be restricted by its owners when their yield decreases and water becomes scarce, their advantage is their free access and free water. Following the decentralization of <b>borehole</b> management (from Government to Water Users Associations) and its present progressive privatization, borehole water has become a commodity paid for by jerry can, water truck load and animal head.</p> <p><b>As a consequence, during the dry seasons, people's access to water depends on the permanent water sources available in their vicinity and on their purchasing power.</b></p>	<p>Access to water by households and their capacity to cover their water needs is determined by:</p> <ul style="list-style-type: none"> <li>• The type of water sources present in the locality where they live;</li> <li>• And their purchasing power, related to their socio-economic categorization.</li> </ul> <p>During the dry season, while the poor will prioritize free water sources – and even move in search for them – families with higher purchasing power will procure their water if they do not have free water sources at their proximity.</p> <ul style="list-style-type: none"> <li>⇒ Contracting water trucking services is a common practice within Wajir for medium and better-off families even during normal dry seasons, both for animal and household consumption.</li> <li>⇒ Population in Wajir – and more specifically better-off and medium socio-economic groups who are used to procure water through</li> </ul>

Overall, **very poor** (40% of total population) and **poor** families (40% of total population) prefer shallow wells as their water is free and their access is not restricted, or is only partially restricted during the dry seasons. Though accessing water from shallow wells during the dry seasons represents additional fetching time due to decreasing yield and increased demand (due to the increase in the population relying on them), borehole water remains the last resort for very poor and poor households as this water is to be paid for.

After exhaustion of the water present in the surface collection points, in villages where there are no permanent water sources, poor and very poor families move in search for water to the nearby localities where permanent water sources exist. They preferably travel in search of shallow wells as their access and water is free. Medium (15% of the population) and Better-off families (5%) purchase water and contract trucks to transport the water from strategic boreholes and / or shallow wells.

In villages that have shallow well(s) but no boreholes, very poor and poor households collect their water from the shallow well(s), increasing their collection time as yields decrease and population in search for that water (including from other localities) increases. Medium and rich families procure and transport water, in groups or at household level according to their needs and purchasing power.

In villages with boreholes and shallow wells, very poor and poor families mainly rely on the shallow wells while the medium and rich families mainly rely on the boreholes.

During the dry season, medium and better-off pastoralists purchase water and contract trucks to transport it to pasture areas for their animals.

Households collect water indistinctively for human, domestic and animal consumption. Water collected is used for small and weak animals and the households do not make a distinction on that use. As a consequence, water received from NGOs in case of severe drought is used both for human and animal consumption.

Underground tanks and buried tanks are present in many villages and mainly privately owned by well-off families.

water trucking - is connected to local water transporters.

⇒ Water consumption patterns should be considered in project design: households do not make the difference in the water used for small / weak animals and the water used for human and domestic purposes.

**Water sources and water availability**

Within the hydrologic catchment area on which Wajir depends for water, there is sufficient water to cover Wajir water needs as well as the needs of the other areas that depend on this same hydrologic catchment area. This is proven by the fact that during the worst year (severe drought of 2010 - 2011), needs of the catchment area were covered, while water points still have scale up capacity in their production. Existing water points

⇒ Water is available in sufficient quantities to cover the population needs in Wajir County.

<p>can expand their production of 25% in Wajir North and West</p> <p>⇒ The limitation for people to cover their water needs – once rain water is exhausted – is based on lack of access (essentially lack of purchasing power or distance from free water sources) rather than lack of availability.</p>	
<p><b>Water transporters</b></p> <p>A private water transportation market exists in Wajir County and numbers approximately 200 trucks locally owned and based, combining <i>browsers</i> (20%) with flat bed trucks that are fitted with tanks during the water trucking season.</p> <p>The fleet owned by Wajir truck owners is sufficient in volume to ensure the transportation of the entire needs of the Wajir population in normal dry seasons. In addition, there is a 75% scale up capacity as truck owners own or can hire additional trucks that are normally operating in other areas of the country. In addition, businessmen seem to be able to bring additional trucks within Wajir in case of need.</p> <p>Transporters alternate between private transportation of diverse goods from other areas of the country (mainly Mombasa and Nairobi, as well as Somalia), food relief transportation and water transportation.</p>	<p>⇒ Transportation capacity does not represent a bottleneck in the market system. Transporters have the capacity to deliver the required quantities of water to cover Wajir population's needs.</p> <p>⇒ The linkage between communities and water transporters appears sufficiently strong to attract transportation capacity and fulfill community requirements during normal dry seasons.</p>
<p><b>During a severe drought, new actors enter the market system: Water vendors</b></p> <p>2011 was considered as a severe drought due to the failure of 2 consecutive rainy seasons.</p> <p>After the drying of pans and while pressure increases on shallow wells, different types of water vendors start operating to supply water to villages/settlements with no boreholes. In particular, water vendors start entering in the market when vehicle owners / transporters are asked by community members to carry jerry cans to borehole areas and bring them back full.</p> <ul style="list-style-type: none"> <li>• Water truck owners start operating as water retailers, purchasing water themselves at the water points and selling it in the villages in small quantities.</li> <li>• Better-off traders in the communities – owning underground water tanks – operate as water retailers, purchasing water and contracting trucks to ensure its transport from water sources.</li> <li>• Medium and better-off families, who procure water and contract trucks for its transport, retail a limited part of their water to other households within the community.</li> </ul>	<p>⇒ Water vendors operate during severe droughts and prove to have the market access and connection to bring water from water points to communities.</p> <p>Given their water access patterns and the way drought affects their assets and purchasing power, very poor and poor households require support in <b>their immediate purchasing power</b> in order to cover their water needs, and survival needs in general.</p> <p>The water provision thus shall target at least the poor and very poor categories that are usually the same groups targeted by EFSL.</p> <p>The response needs to be integrated with EFSL as basic needs – i.e. not only water - are at risk to be non-</p>

<ul style="list-style-type: none"> <li>• Poor and mainly medium households who own a donkey cart and can access shallow wells from nearby localities, sell part of their water when back to their locality – that does not have any permanent water source.</li> </ul> <p>Water sold by water vendors is ten to thirty times more expensive than at the boreholes (at non subsidized cost), therefore – when they can access it - shallow wells remain a preference for very poor and poor families as their water remains free.</p> <p>⇒ During severe droughts, purchasing power (related to asset possession) and pack animals possession (to travel and carry water) become stronger determinants of people’s access to water. Access to water is therefore mainly determined by the socio economic categorization of households.</p> <p>⇒ Livelihoods and food security correlation with water access increases in such cases where purchasing power and asset possession is a determining factor to access water, and access to water is a determining factor of herds keeping and therefore asset protection.</p>	<p>covered.</p>
<p><b>... and NGOs / Partners as new actors</b></p> <p>During severe droughts, NGOs (INGOs and local Partners) emergency water trucking absorbs around 50% of the transport capacity in operation in the County. Given the attractive contracting conditions and the size of contracts, transporters prefer concentrating on NGO water trucking rather than in single contracts with community members. The entry of NGOs in the market system increases competition for community members to access water transportation services.</p> <p>Furthermore, the water transportation market is closely interlinked with food relief; truck owners dominate two major components of international aid that competes with community demand.</p> <p>Through different procurement standards, NGOs and transporters have mainly agreed transportation costs per metric ton (MT) per kilometer, following the cost set for food aid. Only one NGO seemed to have set contract conditions through bidding and subsequent negotiation, leading to higher unit transportation costs.</p> <p>The volumes afforded as well as the comparative advantages that the Wajir water demand presents translates into a reduced attraction and negotiation power from the Wajir population in front of NGOs.</p>	<p>NGOs appear as strong competitors in the market during severe droughts, absorbing half of the transport capacity and setting trader conditions, putting themselves in a position of market power and reducing negotiation power for communities.</p>
<p><b>Conclusion: Demand side problem</b></p>	

The market can cover the unmet water needs of the population as water can be available in sufficient quantities and transportation capacity is sufficient to bring the water from water points to users.

⇒ The response can rely on the market and its actors.

The most limiting factor for people to access water is the purchasing power. While the market system is able to provide water and transportation services to cover needs, the population is not able to afford sufficient amounts of water to reach water security. **It is then a demand side problem.**

⇒ Cash transfer programming should therefore be considered rather than in-kind to make use of the private sector capabilities, transfer risks where relevant and mitigate the risk of distorting the market;

⇒ Direct cash grants delivered to the beneficiaries would not translate fully into equivalent water access due to the diversity of needs for the very poor and poor, especially during severe droughts. Other cash transfer modalities shall therefore be considered.

**The crisis is not a water crisis but a livelihood crisis** as what limits people's access to water is purchasing power and livelihoods rather than availability of water:

⇒ The water emergency response should be integrated with an emergency food security and livelihoods response.

### Learning from past responses

**Power in the market system:** From past emergency water provision responses, it has been noticed that by contracting external trucks and providing favorable conditions, NGOs do distort the market, and cause reduction of competitive power of communities towards trucks.

The response shall use the private sector capacity – as appropriate - and avoid creating too specific conditions that distort the market. This shall be done in coordination with all actors involved in emergency water provision to avoid incoherence in contracting conditions and transportation actors taking advantage of them.

**Fuel subsidies:** During the last drought response, while fuel subsidies were provided to Water Users Associations (WUA) to deliver water for free to users; in actual fact, water was sold at a reduced price or the same price. Accountability of WUAs is therefore an element to keep taking into consideration in future responses.

In future responses, reinforced community sensitization should be pursued to empower communities to make WUA and distributing committees / entities accountable.

**Water trucking:** In certain communities, families reported that water delivered by NGOs through water trucking was sold by the committees in charge of redistribution, showing the need of reinforced community sensitization and accountability mechanisms.

**Operation and maintenance:** For Operation and Maintenance (O&M), during the past response, Oxfam has been acting as a middleman between DPA / WUA and the spare parts companies. There is then an opportunity to facilitate and reinforce a direct link between WUAs and service providers (private sector or DPA).

### Response analysis

#### Requirements for the response

Support access to water for vulnerable populations

#### Opportunities

Coverage of water needs is not limited by water availability or water transportation capacity but by purchasing power, especially for the poor socio-economic categories.

	As a consequence, since the market functions, cash transfer programming and involvement of the private sector at different stages should be considered as an alternative to in-kind distribution.
Transportation of water from permanent water points to localities that do not have permanent water points	The water transportation market system functions, market actors exist and have the capacity to transport the required amounts of water to cover the population needs. At least part of the community members are already connected to the commercial water trucking market. The response can therefore use the market actors' capacity and does not need the building of a parallel system for water delivery. This will require the facilitation of linkages between water transporters and community members in limited cases where those links could be weak.
Delivery of water within the communities that do not have boreholes	Actors within the community have the capacity to procure water, transport it to their locality, store it in underground tanks and sell it to the rest of the community. They have proven to have the liquidity and necessary linkages to make water available for sale in the communities. Building on these linkages and empowering community groups (women groups, youth groups...) should be explored to avoid placing traders in power positions.
Provision of water in communities that have boreholes	In communities that have boreholes, access to water should be facilitated through the boreholes and WUA that manage them. Mechanisms should be put in place to ensure that WUA are made accountable for support received and that they ensure free water delivery for the population.

## 2. Response recommendations

<b>Response objective:</b>	Contributing to saving lives and minimizing the negative consequences of the drought on the livelihoods of affected communities in Wajir County
<b>Outcome of the response</b>	Providing water, public health promotion, food security and livelihoods support to xx people affected by the drought in Wajir County
<b>Activities for WASH component</b>	
1.1 Support to water access through water vouchers linked to local traders and / or community groups, in villages with no borehole	<ul style="list-style-type: none"> <li>• In villages with no borehole, the response will aim at linking local market actors with water transporters and existing water points (mainly boreholes). The response will be based on local traders / community groups.</li> <li>• Targeting within communities: Since water access is mainly determined by households' purchasing power – especially during a severe drought - targeting should focus at least on very poor and poor categories. However blanket targeting should be considered for the following reasons: <ul style="list-style-type: none"> <li>○ Intra-community coping mechanisms: the response shall not disrupt communities' redistribution mechanism;</li> <li>○ 80% are poor and very poor, specific targeting might represent an over cost that might not make substantial difference.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• Oxfam / Partner contracts pre-identified local traders and / or community groups (like women’s and Youth groups) that have trading capacity and experience (identified through capacity analysis and community consultation).</li> <li>• Water vouchers (commodity vouchers) distributed to beneficiaries, are to be redeemed from contracted local traders / community groups.</li> <li>• Through contract, the local traders / community groups are in charge of water procurement, transportation, and redistribution to beneficiaries against water vouchers.</li> <li>• The community should be given a central role in the choice of water trucks, in the negotiation of the water price, as well as in making sure that the distributions are fair.</li> <li>• Traders and transporters selection process shall also ensure market competition.</li> <li>• Payment is ensured by Oxfam/Partner to contracted local traders / community groups upon reception of beneficiaries’ vouchers, including a transaction cost.</li> <li>• Delivery of water by trucks would be ensured in existing and newly established tanks to ensure Hygiene chain, before redistribution to beneficiaries.</li> <li>• According to the local trader / community groups’ capacity, Oxfam / Partners can facilitate the link with the water transporter if needed as well as support capacity. In particular, Oxfam / Partners can provide a “stock” advance or stock grant (depending on analysis of their capacity) to the local trader and / or community group.</li> <li>• The present recommendation is to ensure the provision of free water through this system: i.e. people receive vouchers with no condition of participation and get the water for free when it is delivered by trucks.</li> <li>• If the situation analysis concludes that people have the capacity to purchase a portion of their water needs, then the response could consider subsidizing partially the water by asking people to “buy” the vouchers: i.e. pay a portion of the water.</li> </ul>
<p>1.2 Support to water access through water vouchers for free water provision at boreholes</p>	<ul style="list-style-type: none"> <li>• In villages with boreholes, free water distribution will be ensured to the local population by reimbursing the cost of the water delivered.</li> <li>• Water vouchers - distributed to beneficiaries- are proposed as a means to ensure that water is provided for free; however this could be avoided if effective accountability and complaints mechanisms are put in place to empower the community in enforcing the rule.</li> <li>• Reimbursement to WUA for the water distributed will be done by Oxfam / Partners against vouchers gathered by the WUA.</li> <li>• Reimbursement could be done in cash or in a combination of cash, fuel and / or spare parts vouchers linked to inputs and services providers pre-identified.</li> </ul>
<p>1.3 Integrated response combining WASH and EFSL</p>	<ul style="list-style-type: none"> <li>• Integration with the EFSL support to the very poor and poor households will be critical to allow them covering their survival needs (food + water) during the months of deficit in covering their basic needs. This shall also</li> </ul>

	<p>be integrated to protection and recovery interventions to support those households in covering their livelihoods deficit and protecting their assets and livelihood strategies.</p> <ul style="list-style-type: none"> <li>• Given the points above, joint EFSL – WASH targeting, beneficiaries’ selection and verification and vouchers distribution could be done at least where there is overlap in targeting. This is highly recommended, also to increase response efficiency and cost-effectiveness.</li> <li>• In an EFSL response addressing basic needs through cash grants, the possibility of increasing the cash amount to ensure the coverage of water needs should be considered. In this case there should be a careful analysis of prioritization and decision making on expenses at household level to make sure that extra cash will translate into sufficient water accessed. This could also be tested through a pilot comparing the increase of a cash grant for basic needs and the combination of a water voucher with a basic needs grant.</li> <li>• In particular, synergies with the HSNP programme should be examined.</li> </ul>
1.4 Improve capacity of water points	<ul style="list-style-type: none"> <li>• Increase storage capacity at Boreholes (tanks).</li> <li>• Establish stand pipes for truck filling in order to ensure that multiple users can access water at the borehole.</li> <li>• Maximize harvesting of rainwater in seasonal rivers through sub-surface dams and/or sand dams.</li> <li>• Rehabilitate and/or improve capacity of existing shallow wells and surface water harvesting structures, particularly as these are the preferred water sources of the poor and very poor.</li> <li>• Further development of high yielding boreholes only where shallow wells and surface water harvesting structures cannot be established.</li> <li>• Establish large capacity earth pans appropriately designed and placed (greater than 10,000 cubic meters).</li> </ul>
1.5 Support to Operation and maintenance of boreholes	<ul style="list-style-type: none"> <li>• Establish a service agreement for boreholes between Oxfam and a service provider.</li> <li>• The service agreement will include minor maintenance, breakdown fixing, and major repairs up to a fixed value; for major repairs, during severe drought, Oxfam can act as guarantor for specific repairs in case of need, where relevant.</li> <li>• Include training of mechanics within the service agreement, and link that training service to vocational training centers if those exist.</li> </ul>
2.Public health Promotion (PHP)	<ul style="list-style-type: none"> <li>• Drought appropriate PHP (safe water chain).</li> </ul>
3.Sensitization and set-up of an accountability system	<ul style="list-style-type: none"> <li>• Broad sensitization of the community should be ensured so that the community can hold different actors involved accountable.</li> <li>• An accountability system should be put in place where beneficiaries and community members can share comments and complaints with Oxfam. The complaint mechanism should be managed by Oxfam as the actor ultimately accountable to the donor.</li> </ul>
4.Preparedness & DRR	<ul style="list-style-type: none"> <li>• Community DRR and Community Water Management: the present project of the La Nina consortium includes the support of communities to</li> </ul>



	<p>develop community water management plans and community contingency plans. In discussing with communities about how they can address periods of drought, the options proposed here could be discussed. In particular, it could be discussed if contingency funds could be formed to ensure water trucking in cases of drought. And modalities could be considered involving local community groups and / or traders.</p> <ul style="list-style-type: none"> <li>• Options for insurance schemes should be explored (communities pulling funds to be used to address basic needs – including water needs).</li> <li>• Design of vouchers and analysis of different delivery mechanisms.</li> <li>• Identification of community groups and local traders and capacity analysis; linkage with water transporters where needed.</li> <li>• Support storage capacity (provide and establish underground tanks) in villages where they are not yet present.</li> <li>• Support storage maintenance, cleaning and protection.</li> <li>• Identification of service provider for O&amp;M following capacity analysis.</li> <li>• Preparation to set-up an accountability system when the response is implemented. Options of mobile phone systems should be explored.</li> <li>• Pre-identification of beneficiaries and identification opportunities to link with or use learning from HSNP targeting criteria and systems.</li> </ul>
5. Advocacy and coordination with other actors	<ul style="list-style-type: none"> <li>• With ALRMP / Drought secretariat and WESCOORD: advocate for establishment of standards for water provision.</li> <li>• Advocacy towards other NGOs to avoid market distortion and for use of market actors.</li> <li>• Advocacy to donors for coherent responses between different actors.</li> <li>• Lead on piloting of alternatives to water trucking at national level: piloting, sharing and promotion of learning.</li> </ul>
6. Governance & Integration with longer term programming	<ul style="list-style-type: none"> <li>• Empowerment of communities to hold WUA accountable.</li> <li>• Hold Ministry of Water accountable through WESCOORD.</li> <li>• Reinforcement of community market actors to undertake water transportation and delivery as a business (this will focus on the reinforcement of trading capacity, not only for water trucking).</li> <li>• Integration with long term programming.</li> </ul>
7. Definition of triggers for emergency water provision	<ul style="list-style-type: none"> <li>• Early warning indicators: <ul style="list-style-type: none"> <li>○ Rain in Ethiopian highlands;</li> <li>○ 1 failed rain season (in particular the <i>Deyr</i> rain) is an early indicator of a drought if the consecutive rain is failed;</li> <li>○ Rain forecast.</li> </ul> </li> <li>• Trigger for response: <ul style="list-style-type: none"> <li>○ 2 consecutive failed rains;</li> <li>○ Restriction of shallow well use by owners;</li> <li>○ People sending jerry cans to be filled with lorries and vehicles;</li> <li>○ Selling of water by water trucks and local traders.</li> </ul> </li> </ul>
8. Further analysis	<ul style="list-style-type: none"> <li>• Update of livelihood zoning and profiles (especially with evolution of pastoralism) and HEA outcome analysis to measure gap in households capacity to cover their basic and livelihood needs.</li> <li>• Clan aspect of access to water to be further explored.</li> <li>• User survey planned within the Consortium work plan will be the</li> </ul>

	<p>opportunity to explore further those aspects.</p> <ul style="list-style-type: none"><li>• Other market assessment for Livelihood needs.</li></ul>
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### 3. Comparison of response options

While vouchers are often cited as an innovation and alternative to water trucking, it is important to make the distinction between vouchers as fair redistribution of the water delivered (delivery mechanism, i.e. voucher for water), and vouchers using the market system (real cash transfer, i.e. water voucher transferring the purchasing power to beneficiaries).

Adding vouchers to the response modality used in past responses (water trucking) would only ensure a fair redistribution of the water from the delivery point. This would not avoid distorting the market and creating a parallel system, and would not use the capacities of the market system, leaving Oxfam & Partners to bear the major part of the risks.

In addition to the advantages of vouchers as fair distribution modality, it is then key to highlight the advantages and added value of using the market system to deliver the water in the communities.

Water trucking, with partners paying water and hiring trucks	Water vouchers through local traders and / or groups	Fuel subsidy 2011	Water vouchers through WUA: water repayment is ensured to the WUA upon reception of vouchers from beneficiaries, collected by WUA while distributing water for free
<p>683,000 GBP for around 76,000 beneficiaries (5 to 7 liters per person per day), including Partner costs</p> <p>Oxfam operational costs are not included here in the calculation but are estimated as sufficient to implement the project</p>	<p>615,000 GBP for same number of beneficiaries,</p> <p>Oxfam operational costs are not included here in the calculation but are estimated as sufficient to implement the project either directly by Oxfam or by Partner</p>	<p>198,000 GBP for around 175,000 beneficiaries (5 liters per person per day)</p> <p><b>But</b> at least 53,000 GBP did not reach beneficiaries since subsidies only led to a reduction of price by half.</p>	<p>140,700 GBP for the same number of beneficiaries</p>
<b>Risks</b>			
<p>Oxfam bears all risks, at each level (water procurement, water transportation, water distribution), even when the truck breaks down.</p>	<p>Risks are shared along the market chain: in particular market actors bear transport risk and security risks.</p>	<p>Risk that water is still sold even if at lower cost than normal price</p>	<p>Risk that water is still sold even if at lower cost than normal price, but lower as voucher state agreement on free water</p>
<b>Advantages</b>			
<p>We know how to do it.</p>	<p>Oxfam does not distort the</p>	<p>Easy to implement.</p>	<p>Water is provided for free.</p>

<p>Strong control over the whole chain</p>	<p>market. Market actors bear the risks in areas where they are experienced. Community groups and local traders, as well as communities are empowered Less resources spent by Oxfam for same output Impact includes reinforcement of local market and local actors</p>		<p>WUA is repaid in cash, fuel and spare parts that contribute directly to borehole operation. Impact includes reinforcement of local market and local actors</p>
<p><b>Disadvantages</b></p>			
<p>Oxfam is a water trucking actor and distorts the market by offering higher conditions than normal and creating a parallel system.</p>	<p>Requires fine design of contract and support to community trading entity (but we have the skills at institution level). Requires careful design to not put traders in power position.</p>	<p>Did not fully achieve free water provision. WUA not accountable in the absence of specific mechanism.</p>	<p>Requires adequate preparation for beneficiaries pre-identification and vouchers preparation.</p>

## **Questions and Answers:**

### ***Cash grants or vouchers?***

- Both are cash transfer programming, so both make use of the market system to deliver the emergency response;
- The present paper is proposing vouchers rather than cash grants for the simple reason that needs from vulnerable groups are multiple, leading them most probably to cover their food and other basic needs as well, and therefore not reaching the minimum water access (in ASALs the WASH cluster recommends that a person accesses at least around 7.5 Liters per day).
- And this of course does not mean that water needs should be covered in preference to food and other basic needs, it clearly means that all needs should be taken into consideration in the design of the response;
- So, if the water emergency support is clearly provided complimentary to an EFSL support to food and basic needs, then water could be counted as one of those basic needs and be included in a cash grant for example. Further understanding on people's decision making for the spending of a cash grant is required to make sure that people would then access their water requirement in addition to their food and other basic needs. In all cases, this requires a careful and appropriate calculation of the cash grant. This could be the purpose of a pilot comparing (Cash grant for food and other basic needs + voucher for water) and (cash grant for all basic needs = food, water and others).
- At the borehole, vouchers would not be necessary if sufficient accountability is reached and water is effectively distributed for free. This can indeed be ensured through active sensitization and by setting up effective accountability systems;
- Following the same logic, vouchers would be necessary at community level (in community with no borehole) if there is unfair redistribution of free water brought by agencies. The advantage of the vouchers is to mitigate risks of power abuse and ensuring an accountability system where the community monitors the delivery of water by traders, truckers and community groups. They represent a substantial work (to prepare and deliver vouchers) but ensure transferring the monitoring and accountability check from Oxfam to the community, increasing cost-efficiency and more importantly appropriateness. Before Oxfam and Partners used to post a monitor per delivery point for 3 months.

### ***Total subsidy of water at the borehole vs Partial subsidy of water at the borehole***

- Water transportation is not required in communities where water is available at the boreholes; the issue then is to support people's purchasing power to access water at the borehole;
- Partial subsidies at the borehole can be a means of reducing the selling price of water and allow people's increased access to water;

- The situation analysis in 2011 considered that vulnerable groups (ie the majority of the population) did not have the means to access sufficient quantities of water: they were indeed migrating for farther water sources and/or selling assets to buy water. The decision was to provide free water (through complete subsidy of water at the boreholes) in order to reduce pressure on the stretched resources of vulnerable groups. Also, with a goal of fairness, the response aimed at providing free water through water trucking – in communities without borehole – and free water at the boreholes in the communities that had them.
- If water is only partially subsidized at boreholes (ie providing support to WUA so that the price is reduced), then it would make sense to do the same for water trucking.
- Partially subsidizing water (at boreholes and through water trucking) could be considered if the analysis shows that the vulnerable have the means to cover part of the water cost in the case of severe emergency or if they are already targeted for basic needs support (through basic needs grants for example).

***Accountability: how to ensure it?***

- Vouchers are proposed as one way to make sure that people access the entitlement that the project aims at providing; but, as said above, vouchers would not be necessary in the case where sufficient accountability is reached and water is effectively distributed under total or partial subsidy. This can indeed be ensured through active sensitization and by setting up effective accountability systems;
- Accountability shall be ensured through a monitoring system led both by the community and Oxfam and Partners;
- Rather than monitoring each truck (for water trucking) and each borehole, the proposition is to ensure wide sensitization and to empower community members and relevant community structures in order to strengthen their role in monitoring and holding different actors accountable for their role in the relief delivery;
- One of the advantages is also to concentrate resources in sensitizing and empowering communities rather than having monitors in multiple areas.

***Paying or not for water?***

- The present paper does not discuss the need for cost recovery at water points so that their operation is sustainable. This is a given;
- The paper proposes a temporary free provision of water in the times of emergency when the majority of the population (80% of the population is very poor to poor) does not have the financial and economic means to cover the entirety of their basic needs;
- The paper proposes to offer free water for all, given that the vulnerable ones represent a substantial majority of the population: this proposition looks at the cost-effectiveness of the responses proposed: how much more appropriateness would be achieved by delivering to the most vulnerable? That would imply extra costs of targeting;
- But it is clear that in the case of integration with EFSL responses where there is already a system set up (EFSL responses using HSNP targeting for example) then that targeting approach could be used, saving time and resources;
- It is clear that such response is not sustainable and that the present recommendations aim at progressively setting a system where communities and local authorities can be in charge themselves: community contingency plans, building people's resilience, integrating water to HSNP grant calculation.