

Partners for Water meeting, 10 July 2024

BNR Deep Dive



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1. INTRODUCTION

On 10 July 2024, Partners for Water (PfW) organised a deep dive in The Hague focusing on experiences with and problems around BNR – the Build Neglect Rebuild Cycle, exploring its impact on the sustainability of water infrastructure and services.

Why? Because water infrastructure is often designed and implemented without a sustainable supporting asset management system. This leads to the BNR cycle of Build, Neglect, Rebuild/ Repair, or alternative forms of the same phenomenon.

PfW hosted a group of 30 diverse participants, ranging from government institutions such as Rijkswaterstaat and the Ministry of Foreign Affairs and Infrastructure and Water Management, and international programmes like WaterWorX and Blue Deal, to academia (WUR and IHE Delft), and private stakeholders such as Inland Dredging and Royal Haskoning, to financiers (the World Bank and Invest International) and to NGOs such as AMREF, Both Ends and Practica.

2. THREE EXPERIENCES

After introducing the participants and the topic, moderator Ben Lamoree (on behalf of PfW) asked Liliane Geerling, programme coordinator of PfW of the Netherlands Enterprise Agency (RVO), and subsequently her colleagues Jaap Kroon and Michiel Slotema – all three organisers of the event –, to talk about their interest in BNR and their experiences.

Liliane pointed out that she studied in Delft, where as an engineer she learned how to design things but was never really taught how to keep things in order and how to make sure that the people for whom she designed would "take care of it, love it or feel related to it". That is why she now focuses on "the after period", the period of maintenance and upkeep after the initiation and design phase: "how you can make sure that everyone feels responsible, that people understand what's happening and why it's happening?"

She admits that this can be difficult, especially when it comes to complex issues such as water infrastructure, and she advocates learning from examples that went well, underlining that listening carefully to all the stakeholders is paramount in order to succeed. Experiences in her hometown Rotterdam showed Liliane that people who design the city are very different to people who, for instance, clean or repair it; they seem to be "speaking a different language", which is detrimental to the upkeep of the infrastructure. From experiences in her own street in Rotterdam she learned that personal involvement is an important factor in bringing success.

Next, Jaap talked about his experiences in Beira, Mozambique, where he has worked since 2018 on the Delta cooperation. The 2019 flooding taught him how important it is to get people well organised when it comes to infrastructure: "it became quite evident that operation and maintenance (O&M) is an issue, so when new investments were coming, it was logical to pay more attention to O&M." The idea is to keep drainage systems in Beira working, not only for one or two years, but for ten to twenty years, and that is a challenge.

Michiel coordinates the sustainable water fund (FDW) programme, which is a public private partnerships programme with 42 PPPs in over 20 countries, and he finds that the 20-odd PPPs that are now finished still struggle with O&M problems and with sustained institutionalization. "It's almost a fallacy that design operation and maintenance will be sustained," he explained. He pointed out that "a massive amount of energy" is required to keep going (after a project period) since there is no magic bullet to prevent BNR. A second motivation that keeps him going is a personal one: he thinks he is part of the problem, tying in with what Liliane said: "We think we come with good ideas but often we don't spend enough time listening, understanding where people come from and how we can create change from within."

All three highlighted the complexity of water services and infrastructure projects and the challenges of implementing sustainable O&M practices, especially in difficult environments, and underscored the critical importance of long-term thinking, local engagement, and adaptive approaches in water infrastructure projects to ensure their sustainability and effectiveness. They also stressed the importance of listening to local stakeholders and understanding their perspectives when designing and implementing water management projects and they advocated a shift from "business as usual" approaches to more innovative and collaborative methods.

3. THE FISHBOWL: LONG-TERM THINKING

After Liliane, Jaap and Michel shared their insights, Ben introduced the fishbowl – a specific form of dialogue used to facilitate discussions in larger groups, offering space to discuss to both appointed and voluntary speakers.

Ben invited Maarten Gischler, Senior Water Adviser at the Dutch Ministry of Foreign Affairs, to challenge the group with ideas from his experience, and asked Mathijs van Ledden, Senior Disaster Risk Management Consultant at the World Bank, to subsequently reflect on these. Others could indicate the wish to join them "in the fishbowl" to add to the conversation.

Maarten kicked off by saying that policy cycles and infrastructure development are long-term processes, often spanning 10 - 40 years. Short-term project-based thinking can lead to being stuck in a "build, neglect, rebuild" cycle, due to a tendency to focus on construction while neglecting O&M; he often sees a disconnect between infrastructure investment and long-term maintenance. Projects that should last 30 - 50 years, for instance, sometimes need repairs within 10 years due to neglect.

In order to gauge affordability, investments in infrastructure need to be considered at multiple levels: national debt capacity, economic rationale, city budgets, and the end user's ability to pay. On a city level, Maarten often finds the analysis inadequate. He also sees that water infrastructure subsidies often benefit higher-income users disproportionately, with 52% of subsidies going to the top 20% of income earners and only 6% to the bottom. Therefore, there is a need for better bottom-up analysis and user engagement in infrastructure projects.

"If you talk in terms of affordability," he said, "what the country can afford is not the same as what the service provider can afford, and that's not the same as what the user can afford. So, the question is: which affordability dominates the decision making, is it from the top down or from the bottom up? And whose constraints are leading the decision making?"

Economic affordability of infrastructure investments is a complex process and infrastructure projects often face challenges due to multi-level governance, multi-sector dynamics, and power imbalances among stakeholders. Maarten often sees a mismatch between the cost of infrastructure maintenance and local budgets, especially in emerging countries.

According to Maarten there is currently an over-reliance on robust technical solutions rather than a strong focus on what he calls "social embeddedness". He emphasised the importance of long-term thinking and connecting individual projects to larger goals, such as the Sustainable Development Goals (SDGs). He suggested that more attention should be paid to the political and social aspects of infrastructure projects, not just technical solutions. And he added: "most actors focus on their single piece and not on the entire puzzle."

Maarten advocated toning down "the enormous optimism bias in the whole development community" and he advocates moving up the "participation ladder" to achieve real partnership and engagement with local stakeholders.

Concluding, Maarten emphasised the importance of long-term planning, coordination, political engagement, and the equitable distribution of benefits in water infrastructure projects.

4. THE FISHBOWL: A CRITICAL ROLE FOR O&M

Next up, Mathijs also emphasised the critical role of O&M in ensuring the long-term functionality of infrastructure projects. He noted that different types of water infrastructure (e.g., drinking water, wastewater, flood protection) have distinct characteristics and needs for O&M. Apart from that there are also significant cultural and regional differences: Mathijs pointed out that cultural perspectives on maintenance vary, using the example of Dutch and Bangladeshi embankments to illustrate differences in maintenance standards and perceptions.

Even so, O&M challenges are not confined to lower/middle income countries but are also present in high income countries like the UK, the US, and the Netherlands. The impact of Hurricane Katrina in New Orleans, for example, was partly due to decades of inadequate maintenance.

For Mathijs, identifying the root causes of O&M issues is crucial. He questioned the notion that dysfunction in multilevel performance systems is the sole root cause, arguing that the problem is more complex. He advocates for recognising the benefits of rehabilitation projects, which means not only restoring infrastructure but also improving it to withstand future challenges, such as incorporating climate resilience measures.

While planning and implementing infrastructure projects, involving communities and stake-holders is highly important in order to ensure that their needs and uses are considered. Apart from that, Mathijs recommends focusing on all levels of intervention, from strategic planning to operational and technical implementation, to improve O&M practices. He calls for building larger coalitions beyond national agendas to address O&M challenges, involving international entities to share knowledge and resources.

In conclusion, van Mathijs underscored the necessity of a holistic and inclusive approach to managing and maintaining water infrastructure, recognizing the importance of local context, continuous investment, and international collaboration.

5. THE FISHBOWL: FOCUS ON ADAPTABLE **APPROACHES**

After Maarten and Mathijs shared their experiences, several participants briefly joined the fishbowl to contribute some of their experiences, "adding to the overall picture that we are trying to deal with," in the words of Ben. "Because today it's not about the discussion, but about contributions of your experiences."

Dick Konijn, a Dutch former dredging contractor who is now a consultant, was one of the contributors who shared some of his experiences and insights. "My experience is maybe a bit more from the bottom up," Dick began. He thinks it is important to involve the private sector more often. For him the first key question is how to connect "much more intensely" with the private sector, and second, how to create a level playing field for local companies in the project countries and the Dutch sector.

Based on his experiences in Ghana, Yemen and Jordan, among others, Dick suggested a different approach to working and procurement. Each country's unique legislation and market require adaptable approaches, so innovative tendering processes are welcome. By demonstrating the financial benefits of investments in flood-prone areas, Dick believes decision-makers would see the advantages of these projects, such as the value for money in the long term.

6. GROUP WORK

After a short break, Ben introduced Group Work, the last part of the afternoon Deep Dive. The participants were divided in three groups in order to "think about how we might act," as Ben put it.

The three groups were asked to each focus on a different level:

- 1. The global systemic level, or: the architecture of how institutions work together and how flows of money run. Players: the top management of international financial institutions, Ministries of Finance and other major geopolitical bodies.
- 2. The national development programme level, where major decisions are made about how budgets are being allocated, which loans will be taken, and which will not and where outlines are made of which sectors will benefit and how. Players: government and ministries; country offices of financial institutions, embassies.

3. Project level where many of the participants work, and notice flaws that negatively affect the sustainability of services and lead to BNR cycles. Players: Project Implementation Units, consultants, NGOs, recipients.

After seeing the division of the groups, one participant asked to be moved to another group, because he felt he was "too much in his own bubble", whereupon Ben answered that that was the whole idea. "If we are outside of our own bubble, we easily tend to get into discussion mode, whereas for this Deep Dive we want to get to more action."

Of course, discussion is valuable in itself but with this last part of the Deep Dive the organisers would like to try to move towards actions and towards strategies on how to act upon the insights shared earlier in the afternoon and which Ben summarised as "this complex area of sustainability, the build neglect and repair cycle, operation and maintenance, asset management, etcetera."

7. CONCLUSION: GROUP RESULTS

Findings and suggestions of Group 1 (Global Systemic and National Levels):

- Adopt a long-term transition approach and recognise that solutions may take decades to implement fully.
- Prioritise local, small-scale projects where possible, with communities possibly taking ownership of maintenance.
- Emphasise locally led initiatives at various levels of project implementation.
- Explore innovative financing approaches, such as the value of water and extended investment timeframes.
- Encourage donors to change their strategies and adopt longer-term perspectives.
- Analyse country governance systems and stakeholder dialogues to identify weaknesses and opportunities.
- Address decentralisation and fragmentation issues within government ministries.
- Recognise the importance of political considerations in delegating power and responsibilities.
- Carefully select appropriate partners and structures during project conception to avoid the misalignment of goals.

Findings and suggestions of Group 2 (Local Level):

- Locally led initiatives are key
- Focus more on how to deliver the services instead of just building infrastructure
- Identify the programme space, the financial space, and the type of stakeholder space
- Question how connections work and how to formalise agreements with local level actors. Maybe a new type of actor is needed; for instance, a social enterprise that can act as both a contractor and a social entity

Findings and suggestions of Group 3 (Local Level):

- The recurring key words were "top down" and "bottom up". This indicated that the question is: what direction should be taken?
- Focus on inclusion.
- Being very familiar with the stakes on a local level can help to accelerate and scale things up.
- Be clear on what the local priorities are
- Analyse who is benefitting and what costs versus benefits are
- Run an integral programme from the start with all the stakeholders, so with the private sector, government, NGOs, etc. Maybe this could already be implemented in existing programmes.
- Focus on co-creation during implementation.
- Exchanging knowledge and experiences should be a two-way process.

8. A LAST REMARK

As a last remark, Melvin van der Veen of Both Ends pointed at the current political developments in the Netherlands: "One of the elephants in the room that we haven't really discussed is that currently the budget for international collaboration here in the Netherlands is really under pressure and we know that there are major budget cuts under way. So, let's continue a strong lobby for the type of work that we are doing and advocate for the importance of locally led adaptation and for the importance of the Dutch water sector when it comes to inclusive decision making and governance systems."

Finally, Ben thanked all the participants and concluded this meeting by saying that the organisers will use the inputs and reflections coming out this Deep Dive (and an earlier BNR discussion paper) and formulate possible strategies that will be further fine-tuned and collectively actioned by the deep dive (and broader group) participants.



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