



2030 Water Resources Group: 2014 Evaluation

May 16, 2014

EXECUTIVE SUMMARY

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This document presents our evaluation report for 2030 WRG, which will help inform the future direction of 2030 WRG and serve as an input for the preparation of its FY15-17 Strategic Plan & Budget. While our evaluation validates the strategic relevance and potential contribution that can be made by 2030 WRG to the water sector, it highlights as well the growing pains of the organization: a clarification of the strategy is required, allowing the development of a consistent team structure and systems. Fortunately, the external and internal context seems conducive to organizational adjustments: growing water scarcity reinforces the need for the concerted action promoted by 2030 WRG, the organization has unique capabilities to play a role in the sector, it can access ample resources through its private and multilateral funders, and both the staff and Steering Board acknowledge the current challenges and be ready to tackle them. We therefore believe that 2030 WRG can quickly make the required changes to maximize its impact.

The report is structured in six sections covering (i) the context and approach of this assignment; (ii) 2030 WRG's strategic relevance; (iii) the pertinence of its approach; (iv) its achievements to date; (v) its organization and governance; and (vi) the proposed way forward.

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1. CONTEXT AND APPROACH FOR THIS EVALUATION

This evaluation was commissioned by 2030 WRG to inform the future directions of the organization in the context of its planned expansion over the coming three years. During its annual meeting in January 2014 in Davos, 2030 WRG's Governing Council validated the continuation of 2030 WRG's operations over the coming three years and its geographic expansion from seven¹ to fourteen countries. They also requested an independent evaluation to inform the future direction of 2030 WRG and serve as an input to the preparation of its FY15-17 Strategic Plan & Budget, which is to be finalized in June 2014. Dalberg Global Development Advisors, a leading management consulting firm specialized in the development sector, was selected to conduct this evaluation with the Swiss Agency for Development and Cooperation as the contracting authority and a reporting line to an Evaluation Steering Group comprising of members from 2030 WRG's Steering Board, ensuring the independence of the evaluation. This assignment built on the findings of a preliminary evaluation conducted in October-November 2013, ahead of the Governing Council meeting in Davos.

Our review used OECD/DAC criteria and evaluated 2030 WRG in four areas: its strategic relevance, intervention approach, achievements, and organization and governance. The evaluation team used the OECD/DAC methodology for evaluating global and regional partnership programs based on the five criteria of relevance, efficiency, effectiveness, impact, and sustainability. We synthesized our findings and recommendations around four areas: the appropriateness of the strategic positioning of 2030 WRG; the pertinence of 2030 WRG's intervention approach (i.e., its "Analysing-Convening-Transforming" or "ACT" approach); the achievements of 2030 WRG to date; and an assessment of the organization and governance.

The evaluation was based on a desk review, three country visits and close to 60 interviews conducted in a very short period of three weeks in a first phase of our assignment.² The team conducted a thorough literature review of over 25 internal documents and 40 external documents and websites. It carried out visits across 2030 WRG's regions of operations: in Africa (South Africa), Asia (Mongolia), and South America (Peru). As illustrated below, interviews were conducted with a diverse group of stakeholders and experts including 2030 WRG staff, ESG members, sector experts, and representatives from the public sector, private sector, and civil society. The focus of this evaluation was broader than that of the preliminary evaluation conducted end 2013 both geographically (it included interviews with stakeholders in Mongolia, Peru, Tanzania, India and South Africa while the preliminary evaluation covered South Africa, India and Mexico) and thematically - it was defined as a comprehensive review of 2030 WRG's activities, while the preliminary evaluation was focused on 2030 WRG's use of the hydro-economic analysis and multi-stakeholder convening (see key questions from the Terms of Reference in Appendix 1).

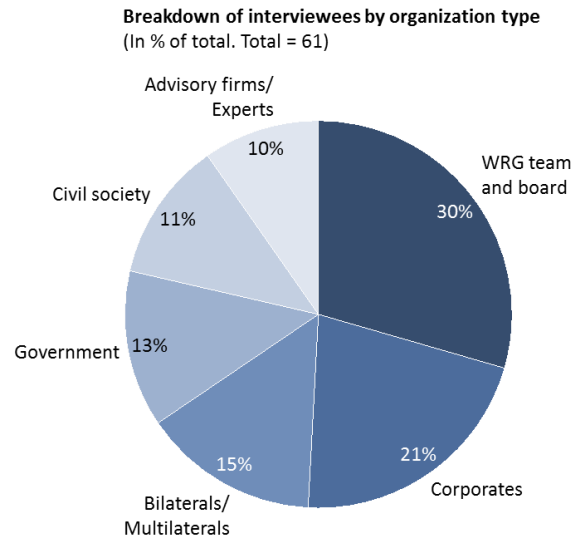
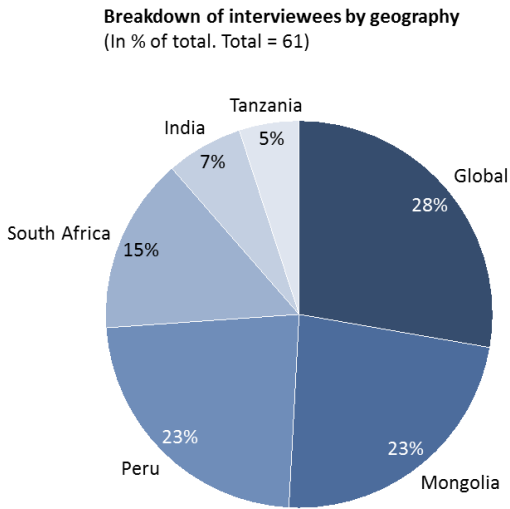
The initial phase of field visits was followed by a second phase of active syndication in which we discussed our findings with 2030 WRG staff, Steering Board and Governing Council members. A first draft of our report was circulated on April 29th so that it could be discussed in the retreat and strategy discussion held by the 2030 WRG team during that week. The two subsequent weeks were used to collect comments from the Steering Board (all Steering Board members were contacted) and from selected Governing Council members³ (see Appendix 2 for a detailed list of interviews conducted).

¹ As of January 2014, seven countries have requested 2030 WRG's involvement: Jordan, Mexico, Mongolia, Peru, South Africa, Tanzania, and India.

² Between the inception briefing with the Evaluation Steering Group on Friday, April 4th, 2014 and draft report due on Monday, April 28th, 2014

³ Given the short notice, we assumed that the views of Steering Board members would generally reflect those of their Governing Council counterparts and conducted interviews with specific Governing Council members only based on specific requests or advice of Steering Board members

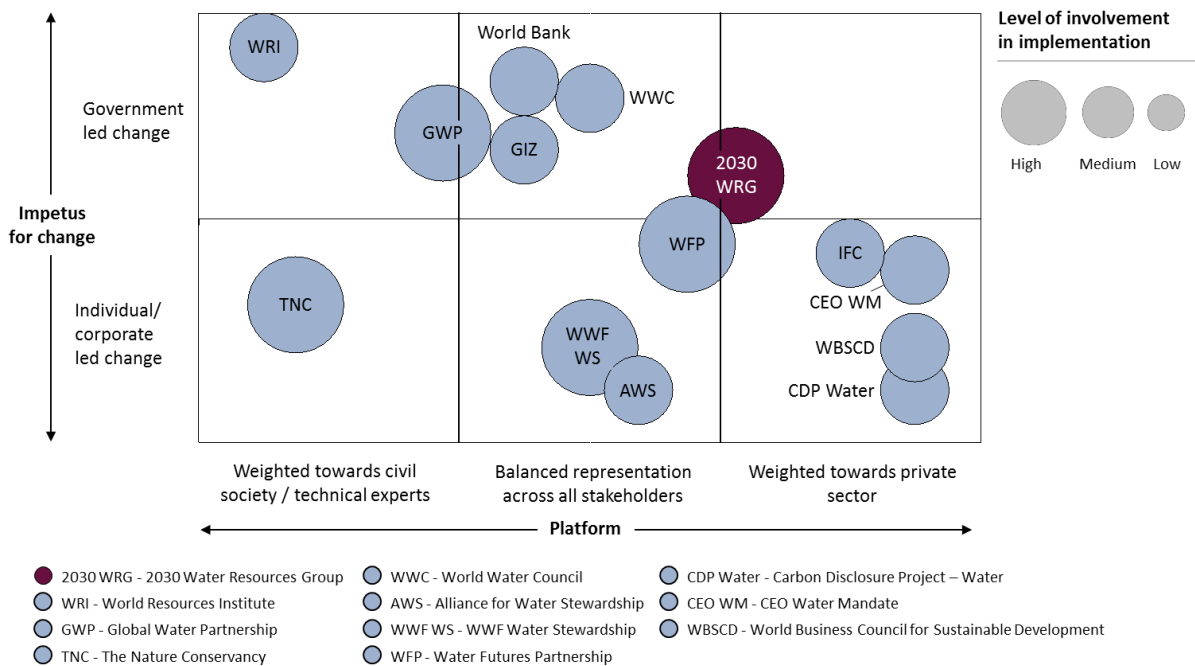
Exhibit 1: Breakdown of interviews conducted



2. STRATEGIC RELEVANCE OF 2030 WRG

Overall, the potential of 2030 WRG is acknowledged by the diverse group of stakeholders interviewed who believe that it has a unique ability to bring new, non-traditional and important stakeholders to the table and help identify actionable solutions. The growing interest in the water crisis has fueled a multiplicity of efforts engaged in coordinating a response. The illustration below represents selected players based the source of impetus for change (the “y” axis), and the nature of the stakeholder groups involved (the “x” axis); this rough mapping makes clear that a large numbers of convening and implementation platforms exist to tackle the water crisis and that a clear definition of 2030 WRG’s unique abilities is necessary to position it effectively. Stakeholders of various horizons (research institutes, private sector, public sector, multilateral institutions) expressed a belief that 2030 WRG has two unique capabilities to bring about programmatic change and help reshape water resources management. First and foremost, what sets 2030 WRG apart is its unique access to decision makers in the political sphere and business sphere, thanks in particular to its link to the World Economic Forum; our interviews and 2030 WRG’s experience to date highlight the ability of the organization to interest new categories of private sector leaders and government actors (such as country Presidents, Prime Ministers, Finance Ministers, Energy Ministers) in the search for solutions to the water crisis. A majority of interviews also underscored a second unique capability of 2030 WRG, which is to promote actionable solutions by producing digestible syntheses that can be easily understood by decision-makers beyond the water sector.

Exhibit 2: Indicative strategic positioning of 2030 WRG and selected players (non-exhaustive)



Note: The size of the sphere for 2030 WRG would vary across countries; in South Africa, 2030 WRG is deeply involved in facilitating collaboration with those that will help in the implementation. Given the stage of project development, such is not the case in other countries. Similarly, other organizations or programs could be separated out and positioned individually (e.g., IFC mining roundtable, IFC AS / IS, etc.)

Source: Interviews, Dalberg analysis

Demographic growth, economic growth and climate change foster a growing competition on water uses and these powerful trends reinforce the need for the type of concerted action that 2030 WRG’s approach illustrates. Even allowing for efficiency measures, a global analysis found that by 2030,

under a business as usual scenario, humanity will require 40% more water than the earth can supply.⁴ Such a gap presents urgent economic, environmental, social and political challenges for governments around the world to address. Governments in water-stressed regions are confronted with hard choices between competing freshwater demands from: agricultural, energy and industrial sectors. This makes collective and less siloed efforts like those supported by 2030 WRG a necessity.

Despite a conceptually clear value addition, the implementation model and desired outcomes of 2030 WRG's role is still unclear to stakeholders:

- **The unique value-addition of 2030 WRG is not very precisely defined, allowing divergent views on which individual activities and stakeholder groups are most important to 2030 WRG's operations.**⁵ Diverging views exist on the importance of each pillar of 2030 WRG's "Analyzing-Convening-Transforming" approach. The "Charting our Water Future" report played an important role in the formation of 2030 WRG, and some stakeholders see the cost curve methodology as a unique analytical capability and an essential component of 2030 WRG's strategic relevance, while others see it as a tool among many that 2030 WRG can use in its interventions. Some other key areas of debate regard how well positioned 2030 WRG is to convene stakeholders beyond senior-most government officials and corporate leaders, and how critical it is for 2030 WRG to be able to pilot projects to illustrate a path to solutions.
- **Our interviews highlighted a high level of dissonance on who 2030 WRG is and what they do, both externally and internally.** In our discussions with external partners, 2030 WRG has been mistaken for a donor, a development agency and even for their consulting partners. The variety of views on 2030 WRG's identity seems a reality as well within the 2030 WRG team and Steering Board. For example, some members of that group believe that 2030 WRG should be a lean catalyst able to leverage consultants to establish an "aha" moment for key stakeholders, convene them as appropriate, and exit once the country has started acting on the initiatives; others describe 2030 WRG as a long-term development partner which sets up a formal local presence and establishes a multi-stakeholder platform that convenes indefinitely until the water resource issue is managed.
- **Limited engagement between 2030 WRG and other leading actors in the water sector seems a missed opportunity to refine and reaffirm 2030 WRG's identity.** 2030 WRG does not have yet in place a structured approach to engage at an operational level with other major convening efforts such as WBCSD, WWF, or with technical organizations such as IMWI; Greater exchanges would force the organization to question and refine its positioning and value-addition. It would also enable the development of a corps of partners equipped with a good understanding of its role, who would help communicate it more broadly. While the 2030 WRG seems to intend to increase these interactions, our interviews did point to a pending need for greater engagement in both "old" (e.g., India) and more recent 2030 WRG countries (e.g., Peru).

In the absence of a well-defined and agreed-on value proposition and objective, 2030 WRG lacks a clear common theory to support key strategic and operational decisions. The organization is ill-

⁴ 2030 WRG, Interim Strategic Plan and Budget, January 2014

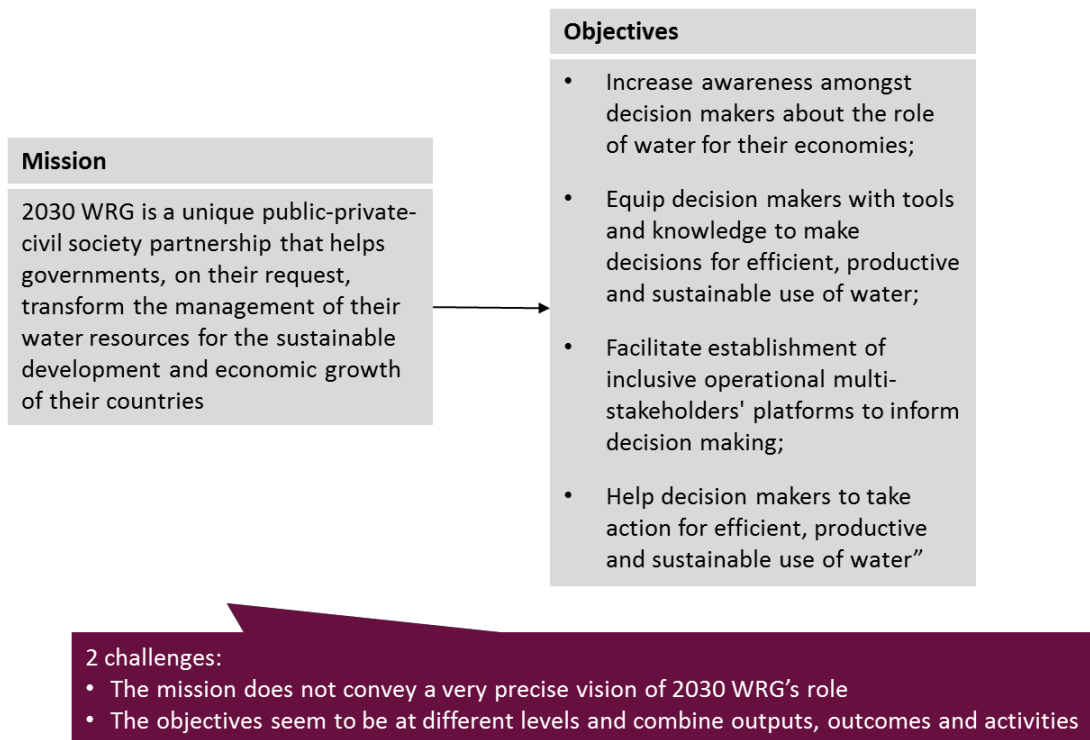
⁵ 2030 WRG has a "Value proposition" that was presented in the last Annual Report and included in the Draft Strategic Plan, but it does not very identify the specific value addition of 2030 WRG beyond the three pillars of the ACT approach: "The 2030 WRG is founded on the understanding that governments, the private sector, and civil society have a common interest in the sustainable management of water resources, and that unsustainable use of water resources will have negative effects for economic development, people and ecosystems. We support governments to create an enabling environment for the private sector, civil society and other stakeholders to make a bigger contribution to sustainable water resource management by cooperatively identifying and analyzing risks and opportunities; sponsors platforms for multi-stakeholder dialogue; and contributing to collective actions to closing the gap between long-term water resource needs and water resource availability in a sustainable and equitable manner."

equipped to articulate the delivery model(s) that would be consistent with its goals and to clarify important choices such as: the organization’s level of risk appetite and its definition of success; the selection of its geography of intervention; the desired level and mode of engagement with civil society; the most adequate organizational structure; the desired skill mix in the 2030 WRG team; the funding strategy; and the nature of the link with important partners like the World Economic Forum and the World Bank.

Recommendations:

#1. Conduct a strategic mapping exercise, re-articulate 2030 WRG’s theory of change and communicate it broadly. In the Fall 2013, 2030 WRG articulated a "value proposition" which is presented in the last Annual Report and is also part of the Draft Strategic Plan. However, this exercise does not seem grounded in a detailed comparative analysis of other key players in the sector and does not explain well the “uniqueness” of 2030 WRG. In order to have a sound foundation for strategic and organizational decisions, we therefore recommend that 2030 WRG conducts a detailed sector mapping and develops on that basis a comprehensive theory of change linking its mission and vision to specific activities, outputs and outcomes.

Exhibit 3: Current formulation of 2030 WRG’s mission and objectives



Source: Interim Strategic Plan and Budget, January 2014

Based on the revised theory of change, we suggest 2030 WRG conducts consultations with some of the key organizations in the water sector to re-introduce 2030 WRG, get feedback, and explore opportunities for joint work which would help illustrate the uniqueness of 2030 WRG.

#2. Articulate a tiered approach to geographic expansion to more effectively adapt 2030 WRG’s role on a country by country basis. A rapid look at the countries where 2030 WRG has engaged to date (India, Jordan, Mexico, Mongolia, Peru, South Africa, and Tanzania) makes it clear that 2030 WRG is facing a very diverse sets of requirements. While some Steering Board members mentioned the risk that a tiered approach could result in piecemeal interventions, we believe that two levels of engagements could be proposed without jeopardizing 2030 WRG’s standard approach:

- **Light touch approach:** For countries not identified as strategic for 2030 WRG, but where an opportunistic intervention seems useful, for example countries with a limited population (e.g., under 40 million people)⁶ and/or where the intensity of water scarcity issues is limited. 2030 WRG could envision a short engagement (1-2 years), which would typically be contingent on having a local partner to ensure tangible outcomes and impact (e.g., working with ADB). The support provided would encompass the full set of activities of 2030 WRG, but the engagement would be time-bound and conducted from the start with the perspective of a rapid hand-over.
- **Long term engagement:** For countries seen as central to the global water crisis, typically with a very large population, such as Bangladesh, China, or India. 2030 WRG would envision a long-term presence (a minimum commitment of 5 years, but the expectation of a much longer commitment), anchored in a strong local presence. 2030 WRG’s support would cover the full set of its service offering across the “ACT” framework. Countries in this category generally have a federal structure, and 2030 WRG’s general approach would need to articulate the proposed balance of engagement at both the central and state levels.

These two proposed modes of engagement are summarized in the table below.

Exhibit 4: Proposed types of engagement

Engagement type:	“Short term catalyst” (Light touch approach)	“Long term partner” (Long-term engagement)
Country type	Small countries (<40 million people)	Large countries seen as central to the global water crisis
Presence	1-2 years	>5 years (presumably much longer)
Key sets of activities:		
1/ Conduct the hydro-economic analysis	Dialogue with the relevant authorities and complement the work done opportunistically, without necessarily conducting a systematic set of analyses	Conduct a systematic set of hydro-economic analyses
2/ Facilitate stakeholder engagement	Conduct a diagnosis and stakeholder mapping, and suggest a plan for stakeholder engagement	Organize stakeholder engagement and remain involved as a long term facilitator
3/ Support demonstration projects	-	Yes

Once a tiered country approach is articulated, 2030 WRG could review its portfolio to categorize its existing country engagements and develop an exit strategy for the relevant countries. In its current approach, 2030 WRG does not communicate a clear upfront message on the duration of the organization’s engagement, which makes it harder to manage the expectations of local partners. A clarification of 2030 WRG’s mode of engagement and exit strategy would help its team develop collaborations with other stakeholder and play a catalytic role in locations where it chooses to engage.

⁶ Criteria to be refined by 2030 WRG; they could include the population size, experience in engaging the private sector and civil society, nature of the water challenges, and the potential role of the private sector.

3. INTERVENTION APPROACH

In the following paragraphs, we review the value of 2030 WRG's "ACT" approach, considering each component in turn:

The value of 2030 WRG's analyses is very diversely appreciated:

- **The hydro-economic analysis is seen as an effective tool to engage senior decision makers and trigger a public debate around water issues.** Non-traditional actors find the message simple and actionable, and the publication of the analysis also encourages strong debate and interaction at the inception of 2030 WRG's engagement in a given country. Our findings on the value of the hydro-economic analysis echo those of the preliminary evaluation: "One of the most exciting benefits of the cost-curve argument that underpinned the hydro-economic analysis was that it provided "digestible" information about the supply/demand gap and about how to fill that gap at least cost. Interviewees said that looking at water information through an economic lens "makes the risks and opportunities real," raises interest in water management, and makes action on water management a higher priority for decision makers".⁷
- **The hydro-economic analysis is criticized for insufficiently leveraging existing local data and knowledge, and for the lack of transparency of the underlying assumptions used.** Two issues with the hydro-economic analysis were surfaced in our interviews. First, in the countries reviewed, local stakeholders mentioned that the consulting team did not harness local expertise as much as they could have (for example, interacting with local experts to understand the quality of data from various governmental sources), leading to an imperfectly informed country report. A second issue raised was that the assumptions and underlying calculations are not made available, preventing the possibility of a factual discussion around the cost curves. The Secretariat noted in its response to the preliminary evaluation findings that the team would "present the underlying analysis of our work and disseminate it publicly, so that it can be reviewed by anyone"; while the McKinsey models and data were not made public, the principle of transparent access to the hypotheses is now part of the agreement with both consultants and with Government. We have not been able to see the tangible steps taken by 2030 WRG to validate the progress accomplished in practice due to the time proximity of the preliminary evaluation; for example, the website provides access to reports but not to any underlying data.
- **The positioning and mode of development of the hydro-economic analysis also represents a risk for 2030 WRG.** First, some of the stakeholders interviewed questioned the qualification of the analysis as being "hydro-economic", stressing that it is primarily a financial analysis of the cost of different technical solutions which does not account for the political economy of the water sector. Second, the current presentation of 2030 WRG's approach can easily make it sound like a greenfield effort where fresh analysis is needed before any engagement. While the 2030 WRG team is aware that local data exists,⁸ a careful positioning of 2030 WRG's approach seems important to recognize that ample analysis often exists in countries where there is water stress, and that 2030 WRG's effort is largely meant to synthesize, complement and present it. Third, while local data is generally used in the development of the cost curves, contributions are not clearly acknowledged, which can involuntarily generate bad-will towards 2030 WRG. As noted in the Secretariat's comments on the preliminary evaluation, "Good analysis is necessary but not sufficient, and the process of analysis matters as much as the content." While 2030 WRG expressed an intent to work very closely with the local stakeholders and include local consultants

⁷ The Consensus Building Institute, Preliminary External Evaluation of 2030 WRG, December 2013

⁸ For example, Peru already has projections for future demand based on growth scenarios, and 2030 WRG did not do that work there. 2030 WRG started developing TOR for analytical work with Government and WB colleagues to ensure the additionality of its contribution.

in the work, this seems understood in a legal perspective (i.e., international consulting firms with a local presence)⁹ and we have not been able to ascertain that the teams have increased their level of engagement with local experts.

2030 WRG’s convening activities are seen as very valuable but a structured approach to multi-stakeholder dialogue must be articulated:

- **2030 WRG’s convening efforts have successfully supported the development of multi-stakeholder workstreams** amongst key stakeholders, who were not previously working together on water reform. In South Africa, 2030 WRG has successfully kick-started three work streams on irrigation, waste water, and municipal leakage, each with over 20 government, corporate, donor, expert, and civil organizations working together on those issues. 2030 WRG’s convening efforts are being well received as well in Mongolia where the private sector (particularly the mining sector), government, and civil society had not effectively collaborated previously on water issues.
- **2030 WRG must articulate a structured approach to multi-stakeholder engagement.** 2030 WRG has understood conceptually the importance of convening a wide range of stakeholders to address the tensions over water management, but it has not formalized a clear convening strategy. As noted in the preliminary evaluation, “most interviewees had a hard time answering the questions about the “multi-stakeholder platform.” Some think of it as a meeting or a series of meetings, others as a process, approach or strategy.” While a single blueprint might not be desirable given the diversity of situations encountered by 2030 WRG across countries, we believe that it is essential for the organization to articulate and follow a structured approach, given the prominence of multi-stakeholder platforms in its work.
- **2030 WRG’s top-down mode of engagement can be seen as an element of its success but associated risks must be mitigated to ensure a sustainable impact.** 2030 WRG’s in-country engagement is typically triggered on the basis of the support from a country President or senior Minister. While this has presented 2030 WRG with opportunities to rapidly develop credibility in its in-country engagements, it has also left the organization exposed to changes in political leadership. In Mexico for example, the analysis conducted directly influenced the Calderón administration’s 2030 Water Agenda, but the impact of that Agenda on ongoing government policy and investment was minimal because of a subsequent change in administration. While some of 2030 WRG’s stakeholders see top-down engagement as an opportunity to move fast and an element of its success to date, and a risk worth taking, we suggest further efforts to mitigate the dependence on a very small group of senior decision makers.

Exhibit 5: Overview of champions for the launch of 2030 WRG’s activities at country level

Countries	Lead champion	Potential threats to continued support
Jordan	Prince Faisal Al Hussein, Chairman of the Jordan Royal Water Commission 2008-2013	2030 WRG is no longer actively involved in Jordan
Mexico	Felipe Calderón, President of Mexico 2006-2012	2030 WRG disengaged and is now re-engaging in Mexico.
India (National level)	Mihir Shah, Water Sector Group, National Planning Commission	General elections ongoing as of May 2014; could lead to a new government with a revamped Planning Commission

⁹ The involvement of local consultants is now a condition in the TOR for analyses in the new countries where 2030 WRG engages; local consultants were used in Mongolia, Tanzania and Karnataka, the places where 2030 WRG conducted analyses after the initial work done by McKinsey several years earlier.

Countries	Lead champion	Potential threats to continued support
India (Karnataka)	Minister of Water: M. B. Patil Ministry of Commerce & Industry: Siddaramaiah (Chief Minister holding this ministry as well)	Next elections in April 2018
Mongolia	Tsakhiaagiin Elbegdorj, President of Mongolia since 2009 Minister of Environment and Green Development (MEGD): Minister Oyun	Major change in water management in Mongolia end 2012: The Water Authority (2030 WRG's initial counterpart) was dismantled and 2030 WRG's interlocutor became the (new) Ministry of Environment and Green Development (MEGD). Next presidential election in mid-2017
Peru	Milton von Hesse, Minister of Agriculture (2012-2014) now Minister of Housing, Construction and Sanitation (since February 2014). Jorge Luis Montenegro Chavesta, ANA Chairman and Dr. Hugo Jara, new ANA Head, appointed in July 2013	Minister of Agriculture just changed portfolios Next general election in April 2016
South Africa	Edna Molewa, Minister of Water and Environmental Affairs	Upcoming elections in South Africa in May 2014
Tanzania	Jakaya Kikwete, President of Tanzania since 2005	Next general election in October 2015 . The incumbent president is ineligible due to term limits.

Source: Desk research, Dalberg analysis

The roll-out of the “transforming” component of the “ACT” approach remains at an early stage and an evaluation seems premature. The “transforming” component of the “ACT” approach consists of the development of concrete initiatives.¹⁰ Given the current stage of development of country programs, the transforming pillar can only be assessed in South Africa where 2030 WRG, through the Strategic Water Partners Network, has helped establish three work streams: water efficiency and leakage reduction; effluent and wastewater management; agriculture and supply chain. In all three work streams, a path to solutions has been identified. The leakage reduction work streams started implementing a “No Drop Certification strategy and scorecard”, which seems to have immediate potential for generating water savings.¹¹

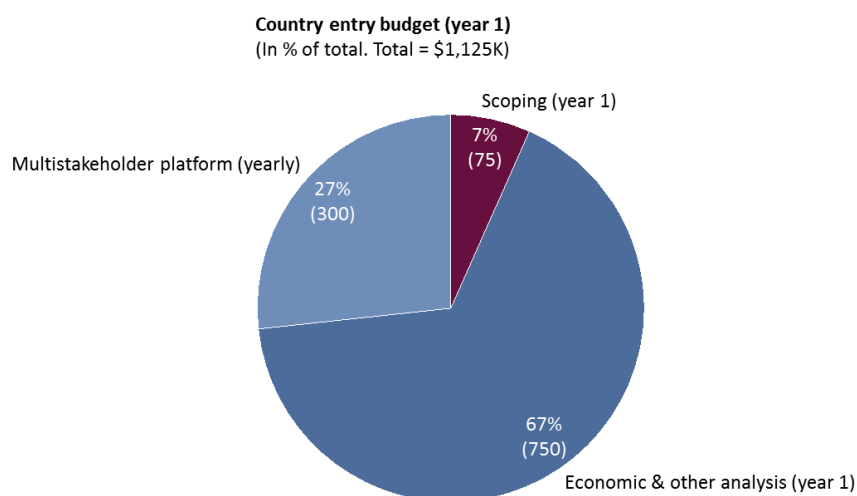
Country entry budgets reflect a strong emphasis on the analytical component of “ACT”. As presented below, close to 70% of a new country budget over the first 2 years of operation is dedicated to analytical activities. While this may partly reflect the fact that convening and transforming activities would over time leverage the resources of local partners, the weight of current activities does not

¹⁰ The initiatives carried out are diverse in nature: In South Africa, there will be PPPs on mining and agriculture, but the program on municipal leakage is a government incentive program. In Peru and Mongolia there will be work on improving the efficiency of economic incentives in water management. In several countries there will also be a focus on how to increase the collaboration between sectors, for example in government, to avoid the current compartmentalized decision-making. In Peru and Mexico 2030 WRG will help prioritize between the multitude of investment projects that exist, and develop new financial solutions to implement them.

¹¹ As per 2030 WRG management, priority areas (working groups) have been selected in Mongolia and Tanzania respectively.

seem fully aligned with the perceived competitive strength of 2030 WRG, particularly its recognized convening capability.

Exhibit 6: Breakdown of a country entry budget



Source: Interim Strategic Plan and Budget, January 2014

Recommendations:

#3. Articulate a structured process for multi-stakeholder engagement. This approach could borrow from the good practices developed in IFC’s Public Private Dialogue (PPD) team and involve a diagnosis phase, detailed stakeholder mapping, sensitization, group formation, the development of a code of conduct, and a long-term facilitating role. 2030 WRG could also embed in this approach the “Equator Principles”, which are aligned with the CSR guidelines of major corporate players, the practices of development financial institutions and the performance standards of the IFC.

#4. Adopt an approach consisting of a set of modules rather than a fixed sequence of activities. 2030 WRG typically presents its approach as a fixed sequence of activities, with South Africa presented as a good practice (e.g., 2030 WRG Governing Council presentation, January 23, 2014: “2030 WRG started using South-Africa as model for any future country-engagement in late 2012 and 2013”). Instead, we recommend to present “ACT” as an articulation of 2030 WRG’s lines of activity, whose sequence and weight can be balanced based on local situations. For example, a full-blown hydro-economic analysis or a formal multi-stakeholder platform may not always be needed to achieve the desired outcomes. In addition, as explained above, “ACT” seems to be a simplification of the relevant sequence of 2030 WRG’s activities – stakeholders have diversely described the actual sequence as CACACT, ACACT, etc.

#5. Rebalance standard budgets by type of country engagement and put greater emphasis on WRG’s convening work. In line with a tiered approach to country engagement, we suggest to develop a standard budget by type of country engagement rather than a single standard budget as presented in the current Interim Strategic Plan. Given the general appreciation expressed for 2030 WRG’s unique convening activities, we also suggest to generally allocate a greater share of country budgets to multi-stakeholder engagement.

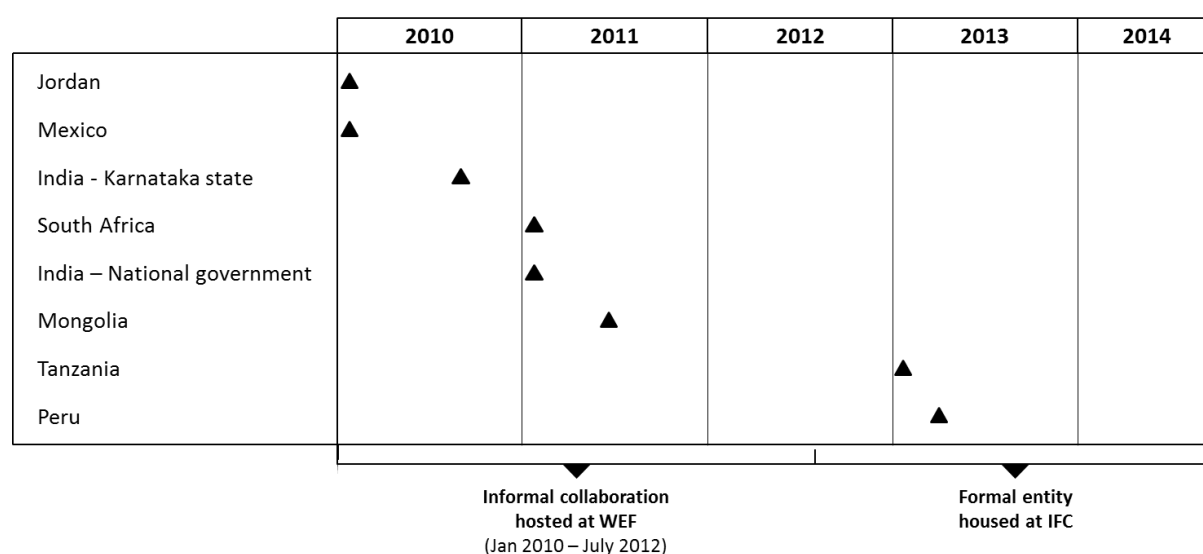
#6. Increase the engagement with mid-level officials and local stakeholders, for example via joint fact-finding missions. In developing countries, there is often a large gap between central government and local government agencies, where policies and programs are implemented. Without a clear engagement of the lower levels, the implementation of the work-streams are at risk. We suggest to strengthen the engagement with mid-level officials, for example by involving them in initial joint fact-finding mission. Progress seems to have been achieved, such as engagement with river basin

authorities in Peru, Mongolia and Tanzania, but in the absence of a formal stakeholder mapping and strong in-country presence to date, we are not able to validate that 2030 WRG has been able to meaningfully increase its level of engagement with mid-level officials yet.

4. ACHIEVEMENTS OF 2030 WRG TO DATE

The review of 2030 WRG’s achievements must be prefaced by an acknowledgement that 2030 WRG’s approach has significantly evolved over time. 2030 WRG is still a young organization operating in a small set of countries, which makes it hard to draw solid conclusions. To gain momentum, the organization has been opportunistic in country selection. Moreover, as illustrated below, 2030 WRG’s country interventions have been scaled over time, and the current overview of country engagements presents snapshots of the approach at different moments in time. For example, as mentioned in the comments to the preliminary evaluation, the challenges met by 2030 WRG’s in Mexico and Karnataka seem largely due to the fact that 2030 WRG initially had a limited direct involvement in those countries and was very dependent on consultants who became the face of 2030 WRG. 2030 WRG now brings consultants on board in an implementation role, after developing an understanding of key stakeholders and specific objectives locally.

Exhibit 7: Timeline of 2030 WRG’s involvement in countries (Based on the date of invitation)



Source: 2030 WRG, Dalberg analysis

Overall, 2030 WRG has had mixed results and the country experience illustrates the learnings of the organization along the cost curve:

In Jordan, 2030 WRG was initially successful in influencing the national water strategy but it did not manage to anchor its presence in a broad support base. 2030 WRG’s analysis was welcomed by the Ministry of Water and Irrigation of Jordan, the senior leadership of the Planning and International Cooperation, and personally by senior decision makers in the Jordan government. The analysis was used by the government during the revision of the country’s national water strategy “Water for Life” and one of its recommendations led to the setup of National Water Council, a cross-ministerial council to debate and offer strategic advice on water security. 2030 WRG did not implement its full approach and stopped working in the country following to changes in the Jordanian administration.

In Mexico, WRG has been able to successfully develop its analyses but the impact of its work on the national water agenda was minimal due to a subsequent change in administration. In Mexico, a MOU was signed in June 2011. The analysis conducted directly influenced the Calderón administration’s 2030 Water Agenda, but the impact of that Agenda on ongoing government policy and investment was minimal because of a subsequent change in administration. As a result of this experience, 2030 WRG’s leadership strongly emphasize the need for formal multi-stakeholder platforms. 2030 WRG has recently re-engaged in the country and is focusing on setting up a formal multi-stakeholder platform to make its impact sustainable.

In South Africa, the program has successfully utilized local structures and institutions. 2030 was invited in January 2011 (at WEF's 2011 Annual Meeting in Davos), and a Declaration of Partnership was signed in May 2011 at the 2011 World Economic Forum on Africa in Cape Town. Since the start of its engagement, 2030 WRG received significant support from the Minister of Water and Environmental Affairs and successfully supported the national water strategy and the development of a formal local stakeholder platform, the Strategic Water Partners Network (SWPN). Three main work streams, each with over 20 organizations from the private sector, public sector, and civil society, are working on municipal leakage, mining effluent and irrigated agriculture respectively. In the new National Water Resources Strategy, water offsetting is identified as an emerging policy track and the Directorate for Water Affairs has asked SWPN to assist in this.

In India, the 2030 WRG has been successful at the national level and but has had less impact to date in Karnataka. The 2030 WRG has been involved in national water policy discussions since 2009. A hydro-economic analysis was performed under the Charting Our Water Future study and its results discussed at several workshops across India in 2010. At the request of India's Planning Commission, the National Water Resources Framework Study was commissioned by 2030 WRG in September 2011; it provided the Commission with an evidence base that supported the preparation of the 12th Five-Year Plan (2013-2017). In 2013, WRG conducted a study to recommend the scope, added value and governance structure of a multi-stakeholder platform in India. 2030 WRG is currently supporting the development of a framework and set of case studies in water management at the river basin/sub-basin level, to be completed in July 2014. Due to the ongoing national elections, the formal engagement of 2030 WRG in India at the national level has been temporarily slowed down. In Karnataka, 2030 WRG was invited in the Spring 2010, and an MoU was signed in November 2010. The organization was less successful than at the national level and failed to generate broad acceptance of the hydro-economic analyses. A change of government in 2013 resulted in significant personnel changes, and 2030 WRG is currently re-engaging with the new government; a new set of analytical work (for the industrial and urban sector) was completed in March 2014. Finally, 2030 WRG is currently engaging with Government of Maharashtra, where it was invited in January 2014. The first component of analytical work was completed in August 2014 and an MoU will be signed in August 2014

In Mongolia, 2030 WRG is making progress in creating outputs but faces pressure from key stakeholders to show more rapid progress. 2030 WRG was invited in June 2011. After delays caused by a change in the administration, a MoU was signed in September 2013 and the first analytical work was completed in February 2014; more in depth analytical work is planned in July-August 2014.¹² Overall, there is a high level of interest for 2030 WRG's activities among stakeholders, who acknowledge the need for a neutral broker to engage a diverse set of actors and involve the private sector in finding solutions. However, 2030 WRG is confronted with a growing pressure to demonstrate results as almost two years elapsed between the invitation of the President and the signature of the MOU. The hydro-economic analysis currently under way and is expected to provide an opportunity for a broad debate and set of initiatives.

Peru illustrates the need for more rigorous country selection criteria and a greater local engagement. In Peru, 2030 WRG faces the challenge of identifying a complementary role in an already crowded space and to identify productive collaborations with active players and initiatives such as AWS (which has numerous pilot projects and potential new sites to use the standard); CEO Water mandate (which has a Water Action Hub and just released the Rimac basin mapping exercise); WFP

¹² When 2030 WRG started its collaboration with the Mongolian Government, the Mongolian Water Authority was its counterpart. After a government change in 2012, the Water Authority was dismantled and it led to a major change for Mongolian Water Management. 2030 WRG's new counterpart became the (new) Ministry of Environment and Green Development (MEGD). Beginning of 2013 first discussions were held with the new appointed minister of MEGD (Minister Oyun) and the units responsible for Water Management within MEGD. The MOU was signed in September 2013.

(which is conducting a three year project with GIZ, SAB Miller and other companies around stewardship); TNC (which is deploying water funds in the Rimac); and IFC (which is managing a mining roundtable). Our interviews highlighted the need for stronger communication from 2030 WRG: After having signed the MoU with the Ministry of Finance and Agriculture during the World Economic Forum over 1 year ago, the vast majority of stakeholders reported that they had not heard from 2030 WRG for 5 months to a year, including several organizations on the Steering Board and Governing Council of 2030 WRG, and had not been asked to share their experience/knowledge of the water sector. Except for one high-level government official, all stakeholders were also unclear on WRG's next steps, only knew of 2030 WRG's strategy in Peru in very high-level terms, and were unaware of other stakeholders involved in the WRG platform.

Similarly to Peru, Tanzania highlights the importance of an in-country presence. The first expression of interest to have a 2030 WRG Partnership in Tanzania was made by the Minister of Agriculture of Tanzania at the private water session at Davos 2013, and was followed by a formal invitation by President Kikwete at a subsequent bilateral meeting. The MoU was signed nine months later, in October 2013. Three focus areas were discussed at the kick-off workshop of the Partnership that took place in November 2013: water use efficiency, cross-sectoral collaboration and water source protection and water security. It was then agreed by the Ministry of Water, the Prime Minister's Office and 2030 WRG to convert them into workstreams at a meeting that took place on the following day. The limited number of interviews conducted for Tanzania also pointed to two weaknesses in the process so far: Private sector participation has been limited in the workshops so far -through 2030 WRG mentioned that it was now building momentum with the private sector. Second, interviews highlighted a lack of understanding of 2030 WRG's role from workshop participants and the need for 2030 WRG to better communicate who they are and what they aim to achieve.

Recommendations:

#7. Define clear indicators and targets. The objectives assigned to the 2030 WRG team and the discussion about 2030 WRG's achievement do not seem anchored in a set of SMART (specific, measurable, achievable and time-bound) metrics aligned with its goals. For example, a key goal emerging out of the recent Governing Council meeting (January 2014) was on country expansion ("By June 30 2017: Total 14 countries, multi-stakeholder platforms in 12 of them, at least 10 countries delivering concrete proposals (programs/plans/projects), most of them being implemented"¹³). While the Interim Strategic Plan includes metrics, they are largely formulated in terms of outputs (e.g., "number of policy decision taken") and 2030 WRG needs a more developed set of targets at the output, outcomes and impact levels, in line with a specific theory of change.

#8. Put in place a systems and processes to monitor progress and capture feedback. While the recent effort of 2030 to conduct external evaluations of its work is laudable, we recommend the development of systems and processes to regularly review the progress achieved and the nature of its impact. We also suggest that 2030 WRG conducts regular (e.g., yearly) surveys of a broad set of stakeholders across countries to get feedback from its in-country partners, for example through a cost-effective, short online satisfaction survey.

#9. Use online media more actively to communicate 2030 WRG's work. In order to better disseminate the status of its work across countries, we recommend that 2030 WRG uses online media more actively; the detail currently available on the website is very scarce, with infrequent updates; for example, the latest news posting on Peru is from April 2013.

¹³ 2030 WRG Governing Council presentation, January 23, 2014

5. ORGANIZATION AND GOVERNANCE

In this section, we review the efficiency and effectiveness of 2030 WRG's governance; its staffing and organizational model; the adequateness of the IFC as 2030 WRG's institutional home; its core processes; and its funding strategy and sustainability.

5.1. Governance:

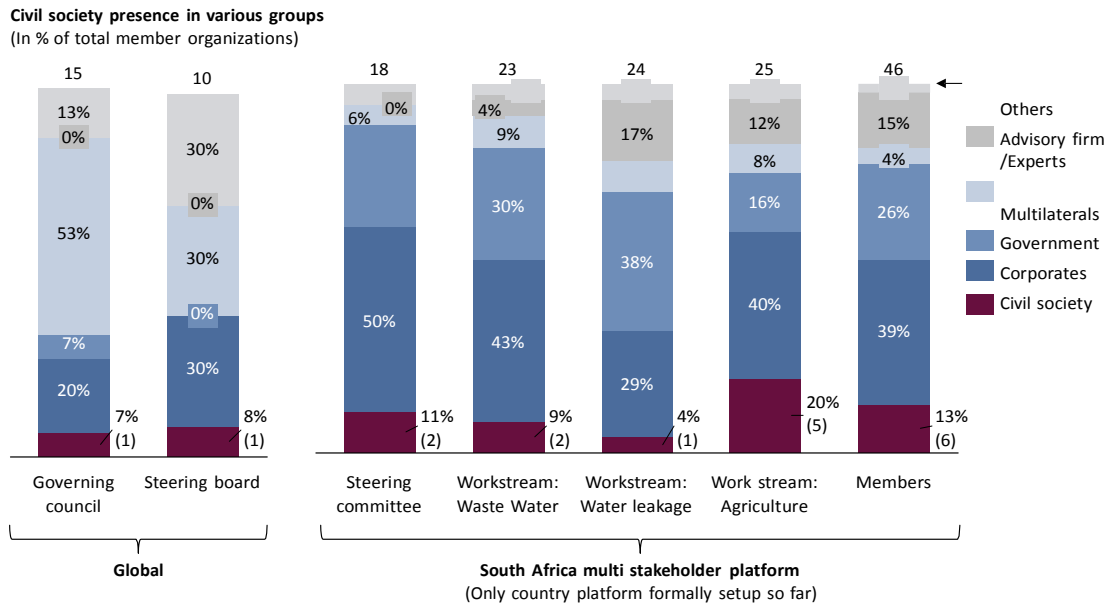
2030 WRG has a tripartite system of administrative governance which is made up of a Governing Council (providing management guidance to and stewardship for the 2030 WRG), Steering Board (Council-appointed members providing oversight for the management of the 2030 WRG) and Secretariat (carrying out 2030 WRG operational activities and fundraising).

- The Governing Council currently consists of 15 members who are senior executives at the major corporate supporters of 2030 WRG (The Coca-Cola Company, Nestlé, PepsiCo), development institutions (AfDB, GGGI, IBRD, IFC, SIDA, UNDP), independent organizations (GWP, WEF, WWF) and a government (South Africa). The members of the Governing Council hold 2-year positions that can be renewed; they meet once a year and may have additional meetings if there is a special need. They make key decisions related to 2030 WRG's strategic plan and budget and help promote 2030 WRG and its activities. Semi-annual briefings on 2030 WRG progress and performance are provided by the Executive Director, endorsed by the Steering Board, to Governing Council members.
- The Steering Board is comprised of members appointed by the Governing Council every two years, and currently has ten members drawn from corporate stakeholders (The Coca-Cola Company, Nestlé, PepsiCo), development institutions (IBRD, IFC, SDC), independent organizations (GWP, WEF, WWF), as well as 2030 WRG's Executive Director. The Steering Board is tasked with using its networks and commitment to 2030 WRG objectives to help 2030 WRG's Executive Director and his/her team deliver successful country programs.

The current Chairman has played a particularly active role in promoting 2030 WRG's operations. In the Governing council meeting in January 2013 Peter Brabeck-Letmathe, Chairman of Nestlé, was nominated as the first Chairman of the Governing Council. Jin-Yong Cai, Executive Vice-President of IFC, was appointed the first Vice-Chairman. There is a general recognition that the current Chairman has played a particularly active role as an ambassador of 2030 WRG, conducting country visits to garner support and visibility for the work of the organization and that he has been an important factor in the progress achieved to date.

The representation of civil society remains limited within 2030 WRG's formal structures: While involving civil society is stated as an important component of 2030 WRG's identity (The mission statement in the Interim Strategic Plan states that: "2030 WRG is a *unique public-private-civil society partnership* that helps governments, on their request, transform the management of their water resources for the sustainable development and economic growth of their countries"), the engagement of civil society organizations at different levels remains limited, as illustrated below. At the global level, WWF remains the sole civil society representative. More civil society organizations are involved at the local level, as shown below for South Africa. In new countries such as Mongolia and Tanzania, 2030 WRG is reserving seats to civil society in the Steering Board and engaging with local civil society organizations such as herder associations. A more explicit articulation of the expectation from civil society engagement would help define more clearly the adequate level of engagement sought and the type of organizations to engage – large INGOs or more local organizations.

Exhibit 8: Composition of civil society in at various levels of 2030 WRG’s activities



Source: Stakeholder composition details provided by 2030 WRG teams; Dalberg analysis

The World Economic Forum continues to be an important partner for the initiative, both globally and locally. The WEF provides the platform for successful engagement of public and private sector leaders and ensures a continuity of the dialogue at the senior most levels. In addition, it encourages 2030 WRG to be “disruptive”, providing an impulse to existing structures by raising the water issue at the senior most levels of industry and government.

Private sector representation within 2030 WRG at the global level consists largely of food and beverage companies. At the global level, private sector participants to 2030 WRG exclusively consist in three leading food and beverage companies (The Coca Cola Company, Nestlé, and PepsiCo). At the country level, private sector support is more diverse, with for example companies associated with the mining sector (Anglo American, BHP Billiton, Glencore Xstrata) and the energy sector (Eskom, Sasol) in South Africa. It seems important to develop a global base of corporate partners better aligned with action areas identified in the cost curves, for example with companies from the agricultural sector (seed, fertilizer, irrigation, agricultural equipment), mining and energy sectors, as well with as banks and insurance companies.

Exhibit 9: Private sector partners of 2030 WRG (by alphabetical order in each category)

Global	South Africa	India*	
<ul style="list-style-type: none"> The Coca-Cola Company Nestlé PepsiCo 	<ul style="list-style-type: none"> The Coca-Cola Company Nestlé PepsiCo SAB Miller ABSA Anglo American BHP Billiton Eskom Glencore Xstrata Sasol 	<ul style="list-style-type: none"> The Coca-Cola Company Hindustan Unilever Nestlé PepsiCo SAB Miller Jain Irrigation Mahindra TATA 	Food and beverage companies

* Unofficial “sounding board” partners as identified by the 2030 WRG team

Source: 2030 WRG data; interviews; Dalberg analysis

5.2. Staffing and organizational model:

2030 WRG's small team size and staffing model create a significant key person risk. 2030 WRG's team comprises of 11 employees representing about for 8 FTEs¹⁴ in its core team, and 18 employees representing about 13 FTEs if we include country teams (with five additional positions currently vacant).¹⁵ Only 6 members of the core team and 8 members of the extended team are working full time for 2030 WRG. All the others, including two out of three regional heads, are either on short term contracts, or are sharing their time with another organization. This small team size and staffing model exposes the organization to a significant key person risk, and a few departures could drain the organization of significant institutional knowledge and delivery abilities. The expected return to WEF in June 2014 of two staff members who had been seconded to 2030 WRG (Africa Head and Tanzania Head)¹⁶ and the departure of 2030 WRG's Manager, Mariko Higashi, is opening up simultaneously three out of six senior positions and raises this issue in a tangible and immediate manner.

¹⁴ FTE: Full-time equivalent

¹⁵ Positions currently vacant: Lead Economist at HQ; Communications officer, Local representative, India; Local representative, Karnataka; Local representative, Tanzania

¹⁶ Sophia Sandstroem, current Tanzania Manager, will continue for one year as a liaison to WEF but not in an operational role

Exhibit 10: Overview of the 2030 WRG team

	Team members	% of time dedicated to WRG	Home institution / contract	Location
Core team	Executive Director Anders Berntell	100%	IFC staff (100% WRG)	Washington, DC
	Manager Mariko Higashi	100%	IFC staff (100% WRG)	Washington, DC
	Asia head Christoph Jakob	80%	SDC staff seconded to IFC/WRG	Geneva
	Africa head Alex Mung	100%	Unofficial WEF secondment to WRG	Geneva
	Latin America head Alastair Morrison	100%	IFC staff (100% WRG)	Washington, DC
	Tanzania head Sophia Sandstroem	100%	Unofficial WEF secondment to WRG	Geneva
	Expert Bas Mohrmann	35%	IFC staff (part time WRG)	Mumbai
	Expert Akhtar Mahmood	10%	IFC staff (part time WRG)	Washington, DC
	Expert Sumit Manchanda	40%	IFC staff (part time WRG)	Istanbul
	Assistant Operation Officer Suvranil Majumdar	100%	ETC (100% WRG)	Washington, DC
	Team Assistant Fidela Palaos	50%	IFC staff (part time WRG)	Washington, DC
	Local teams	Local representative - South Africa Nick Tandi	100%	External
Local representative - India Annelieke Laninga		30%	STC	New Delhi
Local representative - Mongolia Dorjsuren Dechinlkhundev		38%	STC	Ulaanbaatar
Local representative - Mongolia Altai Onkhor		100%	STC	Ulaanbaatar
Local representative - Mexico Roman Gomez		36%	STC	Mexico City
Local representative - Tanzania Onesmo Sigala		51%	STC	Dar es Salaam
Local representative - Peru Cesar Fonseca		100%	STC	Lima

Source: 2030 WRG, Dalberg analysis

The team is currently heavily Washington- and Geneva-centric, and its geographic spread makes good communication and coordination complex. Given that the 2030 WRG's core team is spread across Washington D.C (5), Geneva (3), Istanbul (<1), and Mumbai (<1), and that the leadership team travels continuously, 2030 WRG requires active measures to foster good communication, team bonding and collaboration.

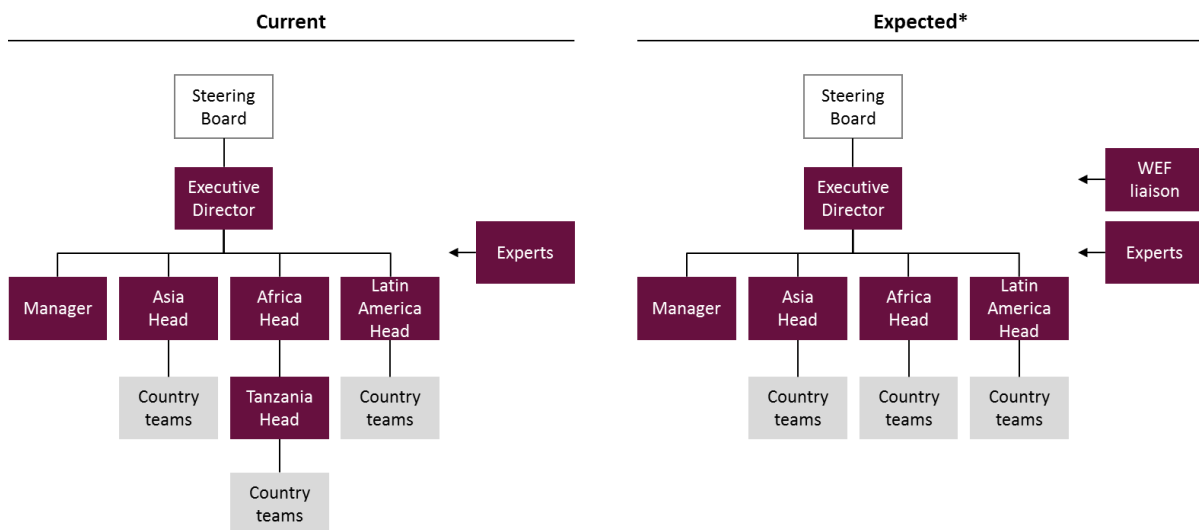
Exhibit 11: Geographic spread of the 2030 WRG team



Source: 2030 WRG, Dalberg analysis

A formal definition of roles and organizational structure is required. 2030 WRG has grown organically out of an initiative launched by the World Economic Forum and corporate partners, and it has not yet clearly articulated a vision for its target organogram. As an illustration, the nature of a Regional Head role versus a Country Head role is not formally defined, and the recently created role of liaison to WEF seems opportunistic rather than based on a long term vision for the organization. Finally, the role of the Executive Director and its interaction with the Steering Board must be clarified. The Steering Board currently meets on a monthly basis. This frequency may have been appropriate in the initial stages if the initiative but should be revisited to ensure oversight and management are clearly separated and clarify the responsibilities of the Executive Director role. Conversely, the allocation of responsibilities between the Executive Director and the Manager in business building, a fundraising and team building must be clarified as well.

Exhibit 12: Current organizational structure of the core 2030 WRG team

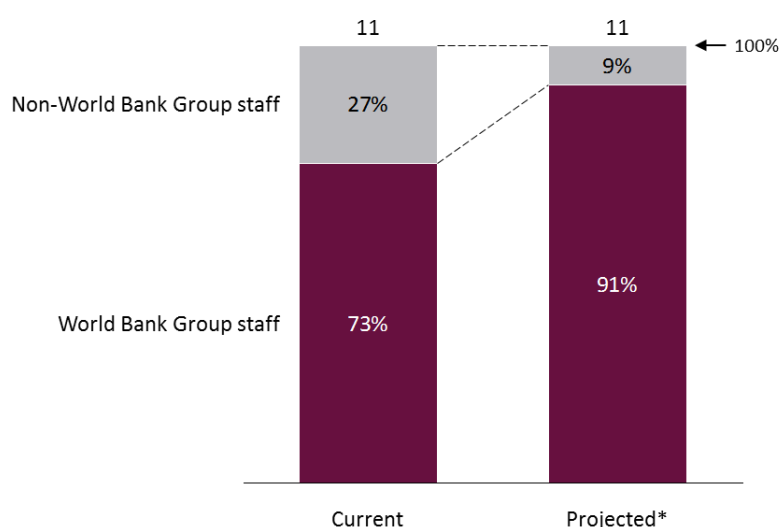


*After departure of Alex Mung (current Africa Head) and transition of Sophia Sandstroem (current Tanzania Head) to the WEF liaison role

Source: 2030 WRG, Dalberg analysis

Given secondees departures from their current roles and recruitment restrictions, the weight of World Bank Group staff in the team might significantly grow. The 2030 WRG team consisted so far of a diverse set of profiles, who were a link to other donor organizations, and this diversity might decrease given the departure of WEF secondees from their current roles and the mode of recruitment for new staff. Given the current hiring freeze, vacant positions have been advertised internally and qualified World Bank Group staff will have priority in recruitment. Unless the hiring freeze is rapidly lifted, the weight of World Bank Group staff is likely to grow significantly, raising the question of the best way to maintain the link with other donors and to cultivate a private sector fiber within the organization.

Exhibit 13: Composition of the core 2030 WRG team (in number of employees, % of total)



Note: This projection assumes that the three current vacancies are filled with WBG staff. To be confirmed based on actual recruitments

Source: 2030 WRG, Dalberg analysis

5.3. Adequateness of the IFC as 2030 WRG’s institutional home:

Team members and other stakeholders recognize the benefits of being housed in the IFC. They highlighted that it gives 2030 WRG instant credibility, access to the private sector, access to governments through being part of the broader World Bank Group, and access to a strong network of development and water experts.

However, interviewees highlighted three specific challenges associated with 2030 WRG’s being hosted at the IFC: the barriers to recruiting new staff, the weight of administrative requirements and IFC’s orientation towards investment activities. Being hosted at the IFC, 2030 WRG leadership must comply with the procedures and approval process of the IFC, which is particularly problematic for recruitments. Given IFC’s current hiring freeze and long recruitment process,¹⁷ the 2030 WRG team can only offer short term contracts to its country team members and not able to hire the senior profiles required to anchor a local presence. A second concern is the weight of administrative requirements (conversely, the ability for 2030 WRG to independently cultivate high-level interactions with senior officials without following standard IFC processes can be seen as problematic by country teams). A third concern is the growing orientation of IFC towards investments, while the role played

¹⁷ Given its ongoing reorganization process, IFC management has temporarily imposed hiring freeze, which is likely to be lifted towards end 2014 / early 2015, once the new organization is formally in place.

by 2030 WRG as a neutral broker requires the organization to be insulated from the imperative to generate financing opportunities.

5.4. Core processes:

2030 WRG suffers from a lack of clear processes, particularly with regard to country selection, the development of multi-stakeholder platforms and the skill development in the team:

As noted, the use of a structured approach to country selection is not clearly documented. While 2030 WRG has articulated country selection criteria in 2012, the effective use of these criteria in selecting new countries is unclear. Our findings echo on these points the comments made on that point in the preliminary evaluation conducted end 2013: “It remains to be seen if some of the country selection criteria developed in June 2012 have been rigorously applied”.

The process for stakeholder dialogue and its timeline are not precisely mapped. As noted earlier, 2030 WRG does not have in place a formal process for stakeholder engagement. It seems an important area to formalize, particularly given the nature of the staffing and the level of rotation in the 2030 WRG team.

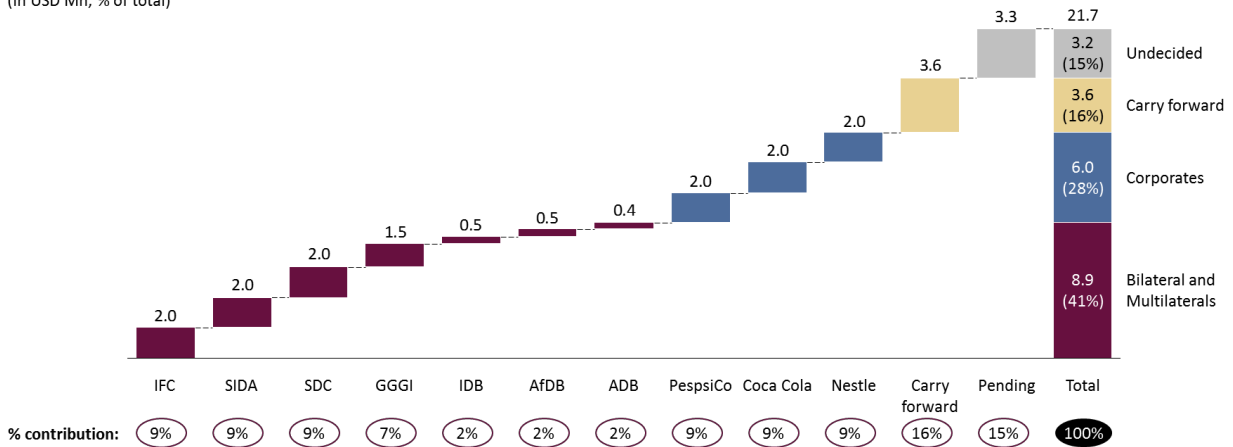
A third area of improvement is the professionalization of skill development in the team. The activities of 2030 WRG require a complex skillset combining multi-stakeholder management, water sector knowledge, PPP, etc. 2030 WRG has grown organically and is yet to define in a structured manner the skill mix required in the team. While IFC’s regular staff review process (twice a year) offers an opportunity to discuss staff performance, the organization would benefit from a more robust process to better define the skillset required at each level, regularly assess the skills of team members and provide trainings.

5.5. Funding strategy and sustainability:

The funding situation of 2030 WRG is sound and well balanced between corporate donors and development institutions. 2030 WRG plans to almost double its budget in the coming 2 years to USD 21.7 million, in comparison with the past two years’ budget of USD 11.5 million. With commitments of about USD 15 million already secured and carry over funds of USD 3.6 million, 2030 WRG only needs to raise USD 3.25 million (15% of the budget) to meet its funding needs over the coming two years. Sources of funds are well balanced between multilateral and bilateral development agencies (51% of the committed funding over the FY2015-FY2016 period) and corporate sponsors (36% of the committed funds over the same period). The simple rules adopted by 2030 WRG in its corporate fund-raising (contributions of one million USD per year) avoids a fragmentation of the team’s effort in managing donors.

Exhibit 14: Overview of 2030 WRG's funding structure, 2015-2016

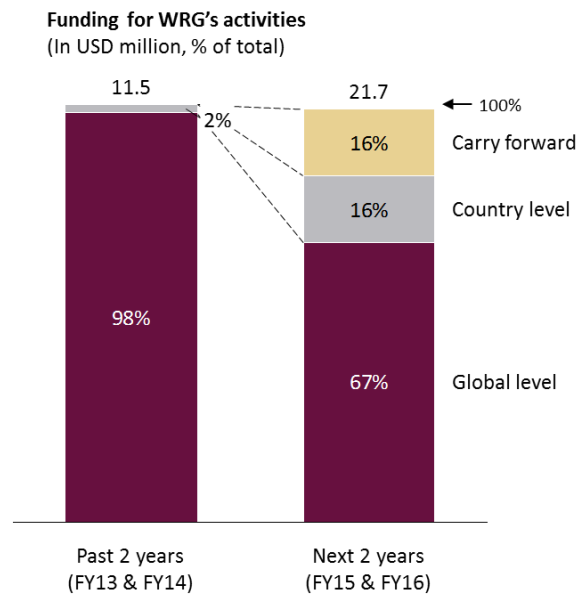
Funding for WRG's activities – FY 15 and FY 16
(In USD Mn, % of total)



Source: 2030 WRG, Dalberg analysis

2030 WRG currently raises limited funding locally and relies largely on global donors. Only 2% of the funding for the past 2 years was secured from country-level donors. 2030 WRG's budget plans on an increase of this category of funding to 16% in the coming 2 years.

Exhibit 15: Share of local funding in 2030 WRG's funding structure, 2015-2016



Source: 2030 WRG, Dalberg analysis

Recommendations:

#10. Remain within the World Bank Group in the immediate future, as 2030 WRG clarifies its theory of change and processes, but analyze other options in a 1-2 year horizon.¹⁸ We suggest that 2030 WRG remains within the World Bank Group for the time being, possibly within the Global Water Practice to clearly dissociate itself from the investment agenda of IFC teams. At the same time, we recommend that 2030 WRG conducts a review of other options by looking at selected other organizations, for example the status of a Swiss Foundation like GAVI, or a hosting at UNOPS like

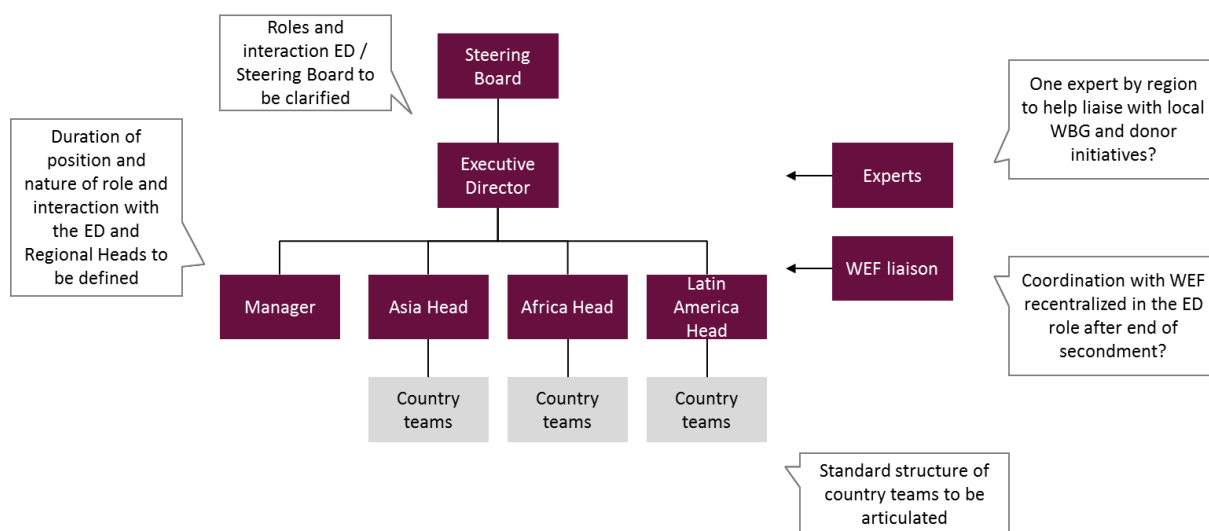
¹⁸ Potential changes should be considered in be aligned with the strategic cycle of the organization

WSSCC (see Appendix 4 for a set of examples). The eventual decision should be based on a factual analysis of the strengths of 2030 WRG and its objectives.

#11. Adjust the team size and structure:

- **Increase the organization’s critical mass.** The organization is currently fragile due to its staffing model and small team size. We recommend to increase the size of the core team to limit the key person risk, for example increasing the core staff by 50%, from 6 to 10 FTEs. We also suggest to limit the reliance on part-time staff to allow the development of a common culture and identity.
- **Articulate the target organizational structure and refine job descriptions in the team.** We recommend that 2030 WRG looks past short term contingencies and defines a target organizational structure clearly outlining the desired level of decentralization, the structure of country teams, and the mechanisms to ensure the cohesion of the team. In addition, we suggest to redefine the respective roles of the Steering Board and of the Executive Director, the attributions of the Executive Director and supporting Manager/Operations Head. Accordingly, the frequency of the Steering Board meetings could be reduced (e.g., from monthly to quarterly) to refocus the interventions of the Steering Board on strategic issues.

Exhibit 16: Potential adjustments to 2030 WRG’s organizational structure



Source: 2030 WRG, Dalberg analysis

#12. Anchor the operations of the team in a set of formal processes. Formalize three core organizational processes: for country selection, for stakeholder engagement, and for the assessment and development and capabilities within the 2030 WRG team.

#13. Develop a succession plan for the Chairmanship of 2030 WRG. Peter Brabeck has been a tireless champion for 2030 WRG, playing an important role as an ambassador of the organization. The organization must prepare a succession plan for the end of his mandate to ensure that leader(s) with the same caliber and commitment take over from him after the conclusion of his term(s) and help maintain the visibility and positioning of 2030 WRG at the senior-most level.

#14. Strengthen 2030 WRG’s fund-raising capabilities. A larger planned team and geographic footprint will require a more robust fundraising effort. The USD 2.3 million that needs to be raised to complete the current 2-year budget can be an opportunity to recruit corporate partners from sectors not currently covered in the Steering Board. Examples include: companies from the agricultural sector (seed, fertilizer, irrigation, agricultural equipment), mining and energy sectors, as well with as banks

and insurance companies. The allocation of roles between Governing Council/Steering Board members and the Executive Director should be discussed to optimize the effectiveness of the recruitment effort.

#15. Take advantage of the development of the post-2015 agenda to give 2030 WRG a central role in the articulation of innovative public private collaborations in the water sector. 2015 will offer an opportunity for 2030 WRG to engage in the development of the post-2015 agenda in the water sector, at a time when the organization will have built a track record on the ground and demonstrated its ability to operate not only as a private sector initiated initiative, but also as part of the World Bank Group. In particular, 2030 WRG could use the 2015 Davos meeting to play an active role in the discussions about new partnerships models and define its longer-term role to foster innovation in the sector.

6. PROPOSED WAY FORWARD

While this evaluation suggests numerous adjustments, the external and internal context of 2030 WRG seems conducive to their implementation: There is a fast-growing need for the convening role that 2030 WRG can play, 2030 WRG can leverage unique capabilities to play a role in the sector, it can access ample resources through its private and multilateral funders, and both the staff and Steering Board seem to acknowledge the current challenges and be ready to tackle them. We therefore believe that 2030 WRG can quickly bring the required changes to maximize its impact.

If it chooses to follow our recommendations, 2030 WRG can implement them in three phases over a period of about 8 months (the numbers in this paragraph refer to the numbering of recommendations in this report):

- **Phase 1: Strategic review.** This phase would start with a strategic mapping exercise to identify other key players in the sector, and articulate the uniqueness of 2030 WRG's capabilities. On that basis, the 2030 WRG team would develop a full-fledged theory of change articulating the mission, vision, objectives, outputs, outcomes and impact aimed at (#1). The intervention approach of 2030 WRG would be revalidated on that basis to include for example joint analyses with local stakeholders under the "A" pillar of "ACT" (#2, #4, #6). Finally, the team would select indicators and targets in accordance with its theory of change so that its progress across countries can be precisely and consistently monitored (#7).

This work would require a significant amount of syndication with the Steering Board and other actors, and could be completed in 2-3 months.

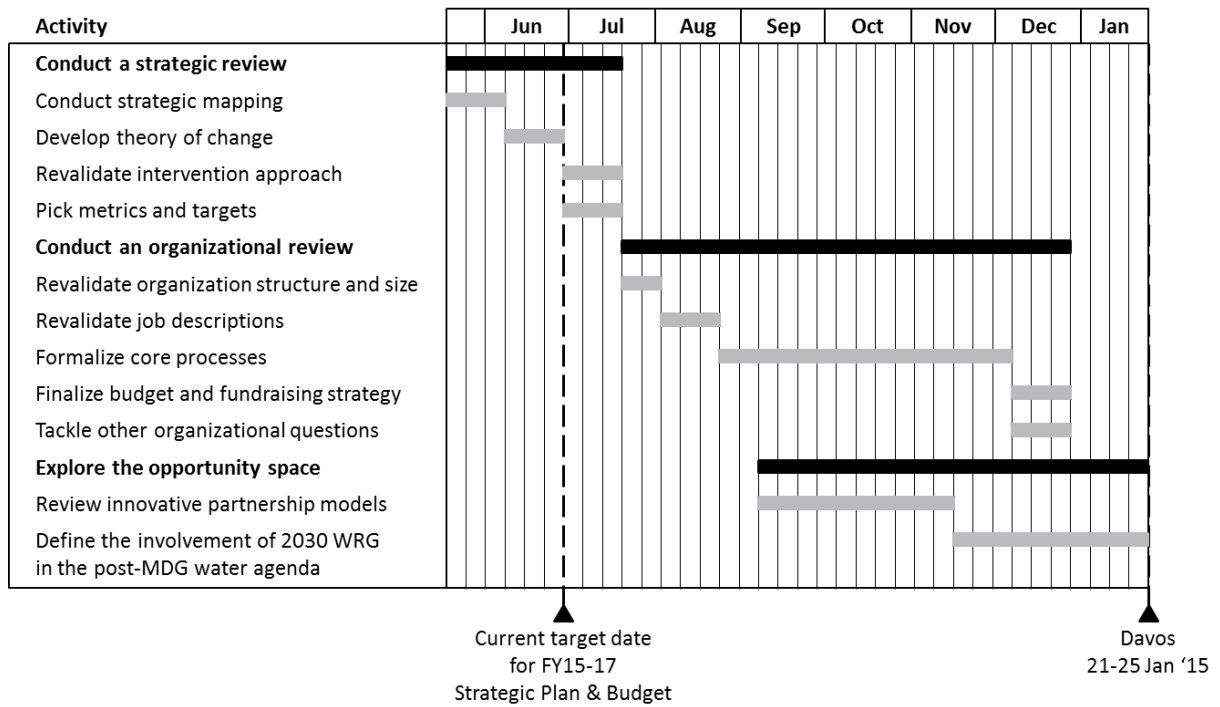
- **Phase 2: Organizational review.** A second phase would draw the organizational implications from the strategic review. It would start with a revalidation of the organizational structure, staffing levels and job descriptions at each level (#9, #11). It would also involve a redefinition of 2030 WRG's core processes including country selection, stakeholder engagement, team evaluation and training, and M&E (#3, #8, #12). On that basis, 2030 WRG would be able to finalize its budget and fundraising strategy (#5, #14). It would finally review longer term organizational and governance questions such as the institutional home of the 2030 WRG, and succession planning (#10, #13).

Given the time needed for developing, testing and implementing key processes, this phase would likely take about 5-6 months.

- **Phase 3: Analysis of the opportunity space.** A third phase could prepare the engagement of 2030 WRG in the post-MDG discussions (#15). It would start with an analysis of innovative partnerships, both among existing members (e.g., Grow Africa Initiative at the WEF) and of partnership models externally (e.g., AgDevCo supported by DFID) and then focus on preparing the involvement of 2030 WRG's in the post-MDG agenda in the water sector.

The time dedicated to this effort is largely a function of the resources available; we suggest to make a significant commitment and structure it as a 4-5 months efforts ahead of the January 2015 Governing Council meeting in Davos.

Exhibit 17: Proposed work plan



Source: 2030 WRG, Dalberg analysis

Implementing this work plan ahead of the next Governing Council in Davos is a realistic medium term objective, but the team’s short term target for the June meeting seems ambitious. As shown above, we believe that the full implementation of the plan can be comfortably completed ahead of January 21-25, 2015, for the next Governing Council in Davos. However, based on our high-level plan, the team might not have sufficient time to fully integrate the findings of our evaluation in its Strategic Plan ahead of the meeting scheduled for June 27th, and a longer period might be advisable.

APPENDIX 1: KEY QUESTIONS FROM THE TERMS OF REFERENCE

Strategic relevance:

- What is today and in the future the pertinence and expression of this role 2030 WRG seeks to fill?
- Is the current approach of 2030 WRG the most effective model to achieve this strategic positioning and catalytic function?

Intervention approach:

- **Analyzing:** What about the results focus and pertinence of the evidence base created by 2030 WRG? How effective is (and could be) 2030 WRG in harnessing existing data from other actors (in general and in a given country)? Which are the actual knowledge gaps and needs for sustainable water sector reforms and effectual public-private transformation partnerships? How useful is the analysis in informing decisions and painting a full picture for decision makers?
- **Convening:** 2030 WRG brings a broad range of people to the same table that normally won't gather in this composite. Are they all the relevant and the right stakeholders in the picture and adequately represented? What can be learned from this multi-mixed team approach and what are its potentials/limitations?
- **Transforming:** How successful is the 2030WRG in clearly identifying the gaps and helping the governments and the other stakeholders to design a plan to close such gaps as part of the ultimate transformation process? How important is the setting up of a formal platform to achieve 2030 WRG's goal?
- 2030 WRG engages with an increasing number of governments (by 2017 the target may be 14 countries). Is the strategic vision (and success) of 2030 WRG a progressive increase of the number of country partnerships ("more of the same"), or is it to lead a certain set of countries to reach a tipping point where these platforms and experience become the "norm" and can replicate themselves?

Achievements:

- Are the partner governments enabled to manage water resources to safely deliver the water needed for human beings, for the environment as well as for economic growth, hence reducing water scarcity? I.e.:
 - Is there increased awareness among the decision makers about the role of water for economic growth?
 - Are the decision makers equipped with tools and knowledge to make decisions for efficient, productive and sustainable use of water?
 - Do the decision makers take action for efficient, productive and sustainable use of water guaranteeing economic growth, respecting social and ecological needs?
- What does 2030 WRG itself consider as achievements and success? And how does this perception relate to its strategy?

Organization and governance

What can be said and suggested about the:

- Pertinence of the partnership base, strategy and development/diversification (Government decision makers, bilateral donors, multilateral development banks, private sector, civil society, other institutions)?
- Funding sustainability of 2030 WRG relying on its current funders. How should look the future funding strategy?
- Efficiency and effectiveness of the governance structure to take well-informed and timely decisions regarding steering and management of the 2030WRG?
- Functionality and composition (such as private and public sector representatives, short term contracts) of the Secretariat following a relatively lean central staffing model, leveraging a wide network of experts and support staff from 2030 WRG stakeholders' community?
- Adequateness of the current (IFC) and future (probably WB) hosting of 2030 WRG and its Secretariat?

APPENDIX 2: LIST OF INTERVIEWS CONDUCTED

The interviewees are listed by alphabetical order of family names.

Global stakeholders:

Sl. No	Contact name	Institution name	Relationship with WRG
1	Anders Berntell Ingvald	ESG / 2030 WRG	2030 WRG team and board
2	Jeremy Bird	Int ^l Water Management Institute (IWMI)	Non-profit
3	Peter Brabeck-Letmathe	GC / Nestlé	2030 WRG team and board
4	Richard Colback	IFC	Bilateral/Multilateral
5	Ania Grobicki	SB / GWP	2030 WRG team and board
6	Nick Hepworth	Water Witness	Non-profit
7	Mariko Higashi	2030 WRG	2030 WRG team and board
8	Christoph Jakob	2030 WRG	2030 WRG team and board
9	Greg Koch	ESG / Coca-Cola	2030 WRG team and board
10	Sylvia Lee	Skoll Global Threat Fund	Non-profit
11	Ian Makin	Asian Development Bank (ADB)	Bilateral/Multilateral
12	Sumit Manchanda	IFC	2030 WRG team and board
13	Alex Mung	2030 WRG	2030 WRG team and board
14	Herbert Oberhaensli	SB / Nestlé	2030 WRG team and board
15	Stuart Orr	ESG / WWF	2030 WRG team and board
16	Ursula Schaefer-Preuss	GC / GWP	2030 WRG team and board
17	Dominic Waughray	ESG / World Economic Forum (WEF)	2030 WRG team and board

India:

Sl. No	Contact name	Institution name	Type
1	Dr Arunabha Ghosh	Council on Energy, Environment and Water	Advisory firm
2	Kajetan Hetzer	2030 WRG	2030 WRG team and board
3	Suvranil Majumdar	2030 WRG	2030 WRG team and board
4	Bastiaan Mohrman	IFC	2030 WRG team and board

Mongolia:

Sl. No	Contact name	Institution name	Relationship with WRG
1	J. Ariunjargal	MCS Coca Cola	Private sector
2	Ayush Buyandelger	Loro Paina - Mongolia division	Private sector
3	Bazarsad Chimed-Ochir	World Wide Fund (WWF)	Civil society
4	Dambasuren	Ulaanbaatar city Ecology and Green Development	Government
5	Dorjsuren Dechinlkhundev	2030 WRG	2030 WRG team and board
6	Baldan-Ochir Dogsom	Mongolian United Herders Association	Civil society
7	Zorgit Erdenechuluun	Office of the President of Mongolia	Government
8	Olga Khardaeva	PWC	Advisory firm
9	Ch. Munkhzul	The Ministry of Environment and Green Development (MEGD)	Government
10	Mark Newby	Oyu Tolgoi LLC	Private sector
11	Enkhtuya Oidov	The Nature Conservancy (TNC)	Civil society
12	Altai Onkhor	2030 WRG	2030 WRG team and board
13	Johan Ramon	Swiss Agency for Development and Cooperation (SDC)	Bilateral/multilateral
14	Eric Rheinstein	Action Contre la Faim (ACF)	Civil society

Peru:

Sl. No	Contact name	Institution name	Relationship with WRG
1	Gayatri Acharya	WBG Peru	Bilateral/multilateral
2	Miguel Baretta	National Water Authority	Government
3	Guido Bocchio	Southern Copper	Private sector
4	Aaron Dryer	GGGI	Bilateral/multilateral
5	Francisco Dumler	National Water Authority	Government
6	Luis Alberto Gonzales	TNC Peru	Civil society
7	Victor Guevara	Aquafondo	Civil society
8	Jim McCord	AMEC	Private sector
9	Teresa Perez del Castillo	Coca-Cola	Private sector
10	Maria del Pilar Acha	National Water Authority	Government
11	Alvaro Quijandria	IFC	Bilateral/multilateral
12	Cesarina Quintana	SDC in Lima	Bilateral/multilateral
13	Eduardo Rubio	AngloAmerican	Private sector
14	Dirk Ten Brink	National Water Authority	Government

South Africa:

Sl. No	Contact name	Institution name	Type
1	Nandha Govender	Eskom	Private Sector
2	Ian Hirschfeld	The Coca-Cola Company	Private Sector
3	Nicole Kranz	GIZ	Bilateral/multilateral
4	Andre Kruger	Absa Bank	Private Sector
5	Ritva Muhlbauer	Anglo American	Private Sector
6	Mike Muller	National Planning Commission	Government
7	Sanjeev Raghbir	Nestlé	Private Sector
8	Barbara Schreiner	Pegasys Strategy and Development	Advisory firm
9	Nick Tandi	SWPN	2030 WRG team and board

Tanzania:

Sl. No	Contact name	Institution name	Type
1	Emmanuel Ole-Naiko	African Barrick Gold	Private sector
2	Sophia Sandstroem	WRG team	2030 WRG team and board
3	Yitbarek Tessema	WB Tanzania	Bilateral/multilateral

APPENDIX 3: LIST OF DOCUMENTS RECEIVED FROM 2030 WRG

1. Interim Strategy and Budget, 2014
2. Governing Council Presentation, 2014
3. Background, Impact, and the Way Forward, 2012
4. Annual report, 2013
5. Annual report, 2012
6. Semi Annual Report 1, 2013
7. Semi Annual Report 2, 2013
8. Preliminary evaluation
9. Secretariat's comments to the Steering Board on preliminary evaluation, 2014
10. Sample administration agreement + Charter, 2012
11. Country selection criteria, June 2012
12. Minutes of the SWPN Chairs Meeting - July 2013
13. SWPN Draft budget for 2014
14. SWPN Finances for 2011 - 2013
15. SWPN Governance and management guidelines, 2014
16. SWPN members, and Steering Committee, Management Committee, and working groups composition
17. Participants of stakeholder workshop – Tanzania, 2014
18. Charting Our Water Future – McKinsey, 2009
19. Water Security - The Water Food Energy Climate Nexus –WEF, 2011
20. Catalogue of good practices in water use efficiency - Stockholm International Water Institute (SIWI), 2012
21. Catalogue of 42 case studies on managing water use in scarce environments - Ove Arup and Partners, 2013
22. National water resources framework, CEEW, 2011
23. South Africa SWPN Brochure, 2011
24. South Africa SWPN Brochure, 2013
25. Tanzania: Targeted Analysis on Water Resources Management Issues, AMEC, 2014
26. Mongolia: Targeted Analysis on Water Resources Management Issues, PWC, 2014

APPENDIX 4: DATA POINTS FOR A REVIEW OF 2030 WRG'S INSTITUTIONAL HOME

This appendix reviews some organizations that can provide data points for a review of 2030 WRG's institutional home. Please note that some of the organizations presented are larger and more mature than 2030 WRG.

	GAVI	GWP	UNITAID	CGAP	PIDG	WSSCC
Where it is hosted	Independent organization (Swiss Foundation)	Intergovernmental organization under Swedish law	World Health Organization	The World Bank	Independent organization with trust status in Mauritius	UNOPS
Link with the WB / the UN	The UN and WB are on the Board of the Foundation	Intergovernmental organization under Swedish law	Separate Board, i.e. not WHO governing body, with representation from Endemic countries, WHO, BMGF, CSOs	WB has been their largest funder (it committed about USD 100 million so far)	USD 22 Mn received from IFC since 2002. IFC also manages DevCo, one of PIDG's advisory companies, that helps governments on structuring infrastructure transactions	Separate Board, i.e. not UNOPS governing body, with representation from WHO and UNOPS
Role of the private sector	Private sector is not represented on the Board, however is instrumental in the business model, and resource mobilization	UNDP and the World Bank have initiated the partnership process in 1995. But stopped playing a crucial role as GWP became independent	Private sector is not represented on the Board	Private sector companies are part of CGAP through their foundations. (Citi Foundation and MasterCard foundation). Citigroup is also represented on the Executive Committee.	The private sector is not on the Board. But all of PIDG's activities are focused on mobilizing private sector investment in infrastructure.	Private sector is not represented on the Board
Funding mechanism	Innovative financing through IFFIm and through direct contributions Funding priorities set by developing country governments	Private companies are involved. But they are not represented adequately (12% of all stakeholders) and are not as flagship partners as the WRG partners	Not ring fenced – all donors contribute to the central pool but it is primarily driven by France (80%)	Close to 34 development organizations funded them ~USD 24 Mn in FY 2013. Out of which ~4 Mn are given for designated activities	Donors funding their preferred vehicles in the organization in a ring fenced manner. Funders include DFID (66% of the funding), followed by the Dutch (~10%), SIDA (5%), IFC (2%), and others	Funding is ringfenced for the global sanitation fund, the largest (\$) program of the WSSCC
Recruitment	International competitive recruitment	Only 1% of funds are ring fenced. 75% of funds are raised globally and the rest from local partners.	International competitive recruitment by WHO rules	International competitive recruitment	Fund managers hired through a tender process every 2-3 years; each fund is free to recruit based on their own internal processes	International competitive recruitment by UNOPS rules
Level of decentralization	Two locations: Geneva (program) and Washington (finance)	International competitive recruitment	Centralized	Most of the team is in Washington D.C; minor office in Paris; regional representatives.	Trust office in London; fund managers selected by tender process; location can vary.	Centralized
Headcount	600 employees (2012)	Highly decentralized. 13 Regional partnerships	58 employees (2012)	53 employees (2014)	NA	25 employees (2014)

External Evaluation of 2030 Water Resources Group – Confidential

	GAVI	GWP	UNITAID	CGAP	PIDG	WSSCC
		and 84 Country partnerships which are run independently				
Budget	Assets: USD 1.7 Bn, OPEX of USD 300 Mn (2014)	23 employees (Global secretariat staff, 2012)	Grant disbursement of USD 164 MN; Opex of 18.9 Mn (2014)	USD 21 Mn (2014)	Disbursement USD 300 Mn (2014)	Disbursement USD 15.8 Mn, budget USD 2 Mn (2012)