

# Denmark's support to the Global Water Security and Sanitation Partnership

## Key results:


















- Infrastructure investment programs, including water supply systems, contributing towards sustainable, climate resilient and inclusive water management and service delivery.
- Enhanced capacity of service delivery institutions to design and implement investment programs and raise commercial finance.
- Institutions strengthened and country policies, legal and regulatory frameworks in place

## Justification for support:

- GWSP supports the single largest knowledge generating platform on water and sanitation including significant focus on integrating climate considerations into water.
- The GWSP is uniquely positioned to advance the SDG agenda to achieve the objective of a water-secure world for all.
- Improved water-resource management is prerequisites for better living conditions, increased climate resilience, food security and health in the context of a changing climate.
- GWSP could provide access to a wealth of knowledge and analytics relevant for Danish embassies in support of project development to influence priorities and policy development and strategic sector cooperation
- Denmark's support to GWSP is well aligned with the strategic development cooperation *The World We Share* and contributes to several core strategic objectives.

## Major risks and challenges:

- Successful implementation of GWSP is dependent on contextual factors that may vary greatly between countries and over time.
- Country conditions and capacity, political and social instability, and political economy considerations may prevent or delay adoption of optimal solutions. The practical challenges and the scale of reform needed may exceed the technical and financial resources available.
- Danish interests miss out on knowledge generated and opportunities promoted arising from GWSP or that knowledge products and recommendations are not followed and used by client countries.

File No.	2023-7461				
Country	Global				
Responsible Unit	GDK				
Sector	Water				
Partner	Global Water Security and Sanitation Partnership (GWSP)				
<i>DKK million</i>	2023	2024	2025	2026	Total
Commitment	30	50			80
Projected disbursement	20	20	20	20	80
Duration	4 years (2023-2026)				
Previous grants	DKK 70m (2019)				
Finance Act code	06.34.01.40 (Energy and Water Resources)				
Head of unit	Karin Poulsen				
Desk officer	Tobias von Platen-Hallermund				
Reviewed by CFO	YES: Rasmus Tvorup Ewald				
Relevant SDGs					
 No Poverty	 No Hunger	 Good Health, Wellbeing	 Quality Education	 Gender Equality	 Clean Water, Sanitation
 Affordable Clean Energy	 Decent Jobs, Econ. Growth	 Industry, Innovation, Infrastructure	 Reduced Inequalities	 Sustainable Cities, Communities	 Responsible Consumption & Production
 Climate Action	 Life below Water	 Life on Land	 Peace & Justice, strong Inst.	 Partnerships for Goals	

## Objectives for stand-alone projects:

To achieve a water secure world for all by sustaining water resources, delivering services, and building resilience

## Environment and climate targeting - Principal objective (100%); Significant objective (50%)

	Climate adaptation	Climate mitigation	Biodiversity	Other green/environment
<b>Indicate 0, 50% or 100%</b>	50%	50%	0%	50%
<b>Total green budget (DKK)</b>	<b>40</b>	<b>40</b>	<b>0</b>	<b>40</b>

## Justification for choice of partner:

GWSP enables knowledge mobilization and engaged “knowledge-based advocacy” globally, regionally, and nationally. Doing so has raised the profile of water issues and increased the influence of the Water GP to address key water development and sustainability challenges. Influenced operations also provide an umbrella for continued GWSP engagement and support, towards addressing a broader range of known and emergent priorities. The GWSP is well managed and has strong capacity to respond to requests from World Bank operations.

## Summary:

The primary objective of the GWSP is to support client governments to achieve water related SDGs and develop climate resilient water management through the generation of innovative global knowledge and the provision of country-level support, while leveraging World Bank financial instruments and promoting global dialogue and advocacy with key partners and clients to increase reach and impact. GWSP aims to influence the quality, sustainability and innovation of the World Bank lending operations related to water as well as to leverage the lessons learned from the World Bank's country operations to a global knowledge platform and “think tank” that shapes the global debate on water.

## Budget:

Engagement 1 - the development project	DKK 73 million
Engagement 2 - auxiliary activities, secondment, M&E and coordination with Danish stakeholders	DKK 7 million
<b>Total</b>	<b>DKK 80 million</b>

# **Project Document**

## **Denmark's support to the Global Water Security and Sanitation Partnership**

DRAFT

February 20, 2023

**Ministry of Foreign Affairs, Denmark**

*File No.: 2023-7461*

## Abbreviations

3 Vand	Group of three water utilities in Denmark
AMG	Aid Management Guidelines of Danida
BE	(World) Bank executed
COP	UN Climate Change Conference of the Parties
DI	Confederation of Danish Industries
DKK	Danish Kroner (exchange rate 1USD=6.8 DKK, exchange rate Feb, 2023)
DSIF	Danida Sustainable Infrastructure Finance
FCAS	Fragile and Conflict Affected States
FCV	Fragility, Conflict and Violence
FY	Fiscal year
GDK	Department for Green Diplomacy and Climate
GEWE	Gender Equality and Women's Empowerment
GHG	Greenhouse Gas
GP	Global Practice
GWSP	Global Water Security and Sanitation Partnership
IDA	International Development Association
IFC	International Finance Corporation
IFU	International Fund for Development (Danish DFI)
INT	The Integrity Vice Presidency
IPCC	International Panel on Climate Change
JiT	Just in Time
MFA	Ministry of Foreign Affairs
NGO	Non-government organization
NRW	Non-revenue water
OECD-DAC	Organisation for Economic Co-operation and Development – Development Assistance Committee
RE	Recipient Executed
SDG	Sustainable Development Goals
SIDA	Swedish International Development Assistance
SSC	Strategic Sector Cooperation
TA	Technical Assistance
TBD	To be determined
TCO	Total costs of ownership
tCO <sub>2</sub> eq	Tons carbon oxide equivalent
TOC	Theory of Change
UN	United Nations
UPR	Denmark's Council for Development Policy
USD	United States Dollars (exchange rate 1USD=6.8 DKK, exchange rate Feb, 2023)
WASH	Water supply, sanitation, and hygiene
WB	World Bank
WEF	World Economic Forum
WPP	Water Partnership Program
WSP	Water and Sanitation Program

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# 1 Introduction

The present draft project document outlines the background, rationale and justification, objectives and management arrangements for development cooperation concerning the support to the Global Water Security and Sanitation Partnership (GWSP) for the period 2023-2026.

“The Documentation” refers to the partner documentation for the supported intervention, which is the *Global Water Security and Sanitation Partnership (GWSP) Strategy update. January 2022.*

## 2 Context

To more effectively address the SDG6 and to meet climate induced risk of water-related hazards such as floods, storms, and droughts the Umbrella Trust Fund GWSP was established under the World Bank in 2017 as a continuation of more than 40 years of partnership collaboration in the World Bank’s Water Partnership Program (WPP) and the Water and Sanitation Program (WSP). GWSP provides an instrument to help achieve the ambition articulated within SDG 6 (clean water and sanitation), bringing together nearly half-century of collaboration, realizing that new challenges and new contexts require new responses. Denmark has supported the GWSP since 2019 with a total amount of DKK 70 million covering the period (2019-2022).

In early 2020, the GWSP Council agreed to extend the partnership’s mandate through 2030. To guide the partnership in its second phase, an external, independent, mid-term evaluation of GWSP was commissioned. The evaluation<sup>1</sup> reviewed the GWSP design, operating model, management of the partnership and implementation of GWSP activities. It found the Partnership’s objective and priority themes to be relevant and proved its design to be effective. The GWSP Strategy update was published in January 2022 to address the recommendations of the evaluation. There is growing recognition at the global level of the centrality of water to both climate change adaptation and mitigation and increased focus on climate change is a critical part of the strategy update.

GWSP is currently supported by the Australian Department of Foreign Affairs and Trade, Austria’s Federal Ministry of Finance, the Bill & Melinda Gates Foundation, Denmark’s Ministry of Foreign Affairs, the Netherlands’ Ministry of Foreign Affairs, the Swedish International Development Cooperation Agency, Switzerland’s State Secretariat for Economic Affairs, the Swiss Agency for Development and Cooperation, and the US Agency for International Development.

The continued Danish contribution to GWSP compliments well the support from the Danish development aid envelope to the water sector, which in recent years has increased substantially. A brief overview of Danish support to the water sector is provided below (potential engagements included in the proposed finance act for 2023 are not included).

Partner/country	Focus areas/partners
<i>Multilateral</i>	
UNEP-DHI Centre	Reporting on SDG indicators, strengthen water resource management through technical assistance and technology tools
African Water Facility	Improving access to climate resilient safe water supply and sanitation services in the Sahel and Horn of Africa
World Bank’s Energy Sector Management Assistance Programme	Increased and more sustainable access to rural water supply for households, health clinics and schools in Tanzania
GWSP	Supports governments to achieve water related SDGs, through the generation of innovative global knowledge and the provision of

<sup>1</sup> EXTERNAL EVALUATION OF THE GLOBAL WATER SECURITY & SANITATION PARTNERSHIP (GWSP) – Universalia, August 2021

	country-level support, while influencing World Bank financial instruments and promoting global dialogue around water
<i>Bilateral</i>	
Ethiopia	UNICEF ONE WASH
Kenya	Water Sector Trust Fund, selected activities of the Northern Rangeland Trust
Burkina Faso	Humanitarian-development-peace nexus investments focused on sustainable access to water for agricultural use
Niger	Water expected to be a significant part of the future country programme
Mali	Urban Water Programme, Climate Change Adaptation and Stabilisation in Fragile Border Regions
Civil society organisations	Selected activities of Danish Red Cross, Dan Church Aid and CISU mainly related to community resilience and livelihoods programs
Danida Sustainable Infrastructure Finance	Five ongoing water supply and water treatment projects in Vietnam and Zambia and four additional projects (Bangladesh, Pakistan, Kenya and Uganda) have recently been approved
Strategic sector cooperation	Morocco, Ghana, Ethiopia, Kenya, South Africa

## 2.1 Brief summary of the main issues

Water is a critical resource that drives poverty reduction and economic growth, supports healthy ecosystems and it is essential to food and energy production and life on the planet. As much as 40% of the global population is affected by water scarcity and more than 2 billion people are drinking unsafe water while 4.5 billion lack safely managed sanitation<sup>2, 3, 4</sup>. Water-related diseases are a major health burden for populations, especially the poor. Meeting global aspirations for poverty reduction will require addressing the global water and sanitation challenge. In addition to this, climate change is affecting the availability and distribution of water, increasing the likelihood of droughts and floods, which act as poverty traps for lower-income households. It also exacerbates water pollution by intensifying extreme weather events. Moreover, water related hazards such as floods, storms, and droughts are today responsible for 9 out of 10 natural disasters<sup>5</sup> and with climate change this increases frequency and severity of such events with implications for livelihoods, food security and regional conflicts.

The challenges are also exacerbated by population growth, rapid urbanization and competition over natural resources which will place greater stress on water supplies. Up to two thirds of the World's population are projected to live under water stress by 2025<sup>6</sup>.

The poorest parts of the population with the least capacity to adapt are affected the most. Therefore, gender and human rights are at the forefront of the water agenda. Water is key to the 2030 agenda's emphasis on inclusion and "leaving-no-one-behind". Furthermore, water use for domestic purposes, agriculture and industry are all generating wastewater and causing pollution which are also impact the poorest population most. The Sustainable Development Goal 6 (SDG 6) was developed to "*Ensure access to water and sanitation for all*".

<sup>2</sup> <https://www.unicef.org/press-releases/billions-people-will-lack-access-safe-water-sanitation-and-hygiene-2030-unless>

<sup>3</sup> <https://www.un.org/sustainabledevelopment/water-and-sanitation/>

<sup>4</sup> <https://www.un.org/sustainabledevelopment/water-action-decade/>

<sup>5</sup> [https://www.who.int/health-topics/floods#tab=tab\\_1](https://www.who.int/health-topics/floods#tab=tab_1)

<sup>6</sup> <https://www.unicef.org/wash/water-scarcity>

Also, poor water resources management and governance of water resources, including lack of regulations and enforcement, may lead to overuse, depletion, and degradation of water sources. In addition, water supply and sanitation systems in many countries are old and in need of repair and upgrading and requires investments. Solving all these challenges requires a combination of technical, financial and governance solutions.

Investing in water and sanitation remains essential for eradicating poverty, addressing the negative impacts of climate change, and building more inclusive and equitable societies. Despite this, progress toward achieving SDG 6 so far has been sluggish, uncoordinated, and with insufficient financing and in some areas especially access to clean water in Sub-Saharan Africa, progress had even been reversed. Furthermore, global warming is happening at a faster pace than previously projected<sup>7</sup>.

## 2.2 The Global Water Security and Sanitation Partnership

GWSP is an umbrella trust fund, intended to bring together analytical work integrating sub-sectors (water and sanitation, water management and water in agriculture) with a more concerted effort to influence national policies and leadership, while also influencing World Bank lending operations. GWSP was established under the Water Global Practice (Water GP) – one of 14 Global Practices in the World Bank that pool their expertise to address client countries' most pressing developmental challenges and ultimately enable the Bank Group to meet its goals. The Water GP brings together more than 300 water-sector specialists under one management structure to better integrate knowledge into operations. GWSP uses a "Knowledge into Implementation" model that provides additionality to the Water GP in enabling the mobilization of high-quality knowledge, country exposure to global diagnostics, and just-in-time technical assistance provision, laying the groundwork for replication and scale-up in lending operations, and long-term country engagement. The Water GP objective is to contribute to all aspects of strengthening the link between the sustainable management of water resources and the services that water resources can provide.

GWSP is fully embedded in the Water GP, guided by five priority themes that are critical for meeting the SDGs:

- sustainability,
- inclusion,
- financing,
- institutions, and
- resilience.

GWSP's five priority themes provide helpful guideposts for steering the dialogue with country clients and directing knowledge and analytical work. The priority themes are reflected in the GWSP results framework and will remain at the heart of GWSP's activities over the coming period (2022 – 2030) with an updated strategy (2022 – 2030) based on mid-term review of GWSP<sup>8</sup>.

GWSP is fully integrated with the Water GP, and its priority themes and results agenda are mainstreamed into the GP's work program at all levels - global, regional, national, and sub-national. This integration brings together expertise from multiple fields, including:

- water supply and sanitation,
- water resources management, storage and dam safety,
- irrigation,

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<sup>7</sup> <https://www.ipcc.ch/report/ar6/wg2/>

<sup>8</sup> EXTERNAL EVALUATION OF THE GLOBAL WATER SECURITY & SANITATION PARTNERSHIP (GWSP) – Universalialia, August 2021



- institutional reform,
- gender and inclusion,
- economics,
- finance,
- PPPs and behavior change.

Most knowledge products and analytics are produced by Water GP staff, as GWSP funds free up time for staff to work on knowledge products, analytics and capacity development. In addition, support in the form of technical assistance to clients (at the national or sub-national level) can be requested from GWSP by staff of the Water GP and, if agreed by GWSP management, the support may be used to fund inputs from either Water GP staff or by external experts.

GWSP is structured around three Blocks, based on which results monitoring takes places:

Block A: Institutions/policies strengthened in support of the five priority themes.

Block B: Support to World Bank lending operation

Block C: Validates knowledge in a selected number of priority countries<sup>9</sup>

## 2.3 Strategic Framework

The United Nations 17 Sustainable Development Goals (SDGs)<sup>10</sup> is the overall strategic framework that guides GWSP. The GWSP directly target SDG6 – “Ensure availability and sustainable management of water and sanitation for all” and has it as a key priority to work towards achieving this goal. GWSP points out that water flows through nearly all SDGs and is a driver of development. GWSP has therefore taken a holistic and integrative approaches across the water sector to deliver solutions and strong collaboration and partnership, also with those outside the water sector. GWSP recognize that this will require strengthening collaboration with other sectors including agriculture, urban, environment, energy, education.

Denmark's support to GWSP is in line with the Danish Governments Strategic Foundation (2022)<sup>11</sup> with focus on implementation of the SDGs and on delivering concrete solutions to the Global South, including through international systems.

Denmark's support to GWSP is also well aligned with the strategic framework for Denmark's support (2021 – 2025) “The World We Share”<sup>12</sup> and will meet several core strategic considerations of the World We Share, including:

**Strengthen action to support climate change adaptation** -- Improved water-resource management is a prerequisites for better living conditions, increased climate resilience, food security and health in the context of a changing climate.

**No-one must be left behind** -- where GWSP is to promote inclusive outcomes. GWSP-supported analytical work on inclusion seeks to identify and quantify the drivers of exclusion in water and identify ways to progress towards greater inclusivity. This means establishing an evidence base on the benefits of shifting the underlying norms, institutional processes, and incentives that tend to drive exclusion over time. It also means developing approaches to make these shifts.

<sup>9</sup> Until 2024 the priority countries are: Bangladesh, Benin, Bolivia, Egypt, Ethiopia, Haiti, Pakistan, Uganda, Vietnam

<sup>10</sup> <https://sdgs.un.org>

<sup>11</sup> <https://www.stm.dk/media/11768/regeringsgrundlag-2022.pdf> (in Danish)

<sup>12</sup> <https://um.dk/en/danida/strategies-and-priorities>

**Fragile countries, regions and regions of origin impacted by conflict and disaster** -- where GWSP now supports work in 29 out of the 39 situations classified by the World Bank as fragile and conflict affected.

**Ensure new and improved access to water in Africa in rural and urban areas** -- GWSP has an active portfolio of 38 grants; amounting to a total allocation of over USD19 million and enhances the quality of work by providing analytics and responding to client demands. Upon request GWSP informally reports to Denmark on new/improved access to clean water in Africa achieved by the Danish contribution

**Strengthen biodiversity and promote nature-based solutions** -- GWSP supports the *Program on Nature-Based Solutions for Climate Resilience*<sup>13</sup>, developing knowledge products, providing technical support to better balance green and gray infrastructure, and creating a network to bring together knowledge and expertise.

**Contribute to ensuring climate-smart infrastructure. Focus on water supply and sanitation in rapidly growing urban centers affected by climate change** -- Over the past five years, GWSP support to water in agriculture has evolved to address resilience, water security, and environmental sustainability. It has also involved raising awareness of the role of irrigation in decarbonization. GWSP support is helping position the water sector as an important contributor to GHG emissions reductions, addressing energy efficiency; methane reduction including in sanitation, irrigation, water resources management, and water supply investments. The adaptation agenda is being advanced through interventions related to reservoir storage, watershed management, and drought resilience.

**Work for greater food security and access to water** -- GWSP is engaged in all aspects of water security, from water services, water scarcity, to water stress, water risk and finally water security to maintain health, grow food, generate energy, manage the environment, and create jobs

**Strengthen and focus government-to-government strategic sector cooperation including in areas such as energy, climate, environment, water** -- GWSP generates opportunities within water in countries with Danish representation, but to take advantage of these, sector coordinators will need to be aware of GWSP and to seek information through World Bank country representatives.

**Ensure that the focus on clean energy and clean water contributes to improving health, creating jobs for people and fighting poverty** -- GWSP is engaged in all aspects of water security to maintain health, grow food, generate energy, manage the environment, and create jobs

## 2.4 Results and learning from previous cooperation

The mid-term review of GWSP from 2021<sup>14</sup> highlights the GWSP experience.

GWSP is originally designed based on 20+ years of experience from WSP and WPP and conclusions from evaluation recommendations of these. Through the Water GP the GWSP has been well positioned to advance global water (SDG6) and climate change (SDG13) agendas. It has enabled a strategic flexibility for Water GP staff to adapt to evolving key global and national priorities, as made evident by its responses to the COVID-19 pandemic.

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<sup>13</sup> A cross-sectoral effort at the World Bank Group with a mission to increase investments in solutions that integrate and strengthen natural systems across regions and sectors

<sup>14</sup> EXTERNAL EVALUATION OF THE GLOBAL WATER SECURITY & SANITATION PARTNERSHIP (GWSP) – Universalia, August 2021

GWSP support is widely recognized as making World Bank projects more “nimble”, “dynamic”, and “responsive”, while allowing for course correction through TA, and restructuring projects if and as needed, ultimately allowing for a more intentional approach of targeted operations.

GWSP is having increasing influence on World Bank operations and lending, and thus country borrowing, to address key water development and sustainability challenges. Influenced operations also provide an umbrella for continued GWSP engagement and support, towards addressing a broader range of emergent priorities<sup>15</sup>. GWSP has integrated pro-poor development and sustainability considerations throughout its work, including global knowledge product development, contextualized analytics, and provision of TA.

GWSP funding has contributed to implementing the World Bank *Strategy for Fragility, Conflict and Violence 2020-2025*,<sup>16</sup> with a significant proportion of GWSP resources allocated to Fragile and Conflict Affected States (FCAS). GWSP has developed rapid assessment tools to quickly respond to emergency operations and has increased its resilience work in FCAS. GWSP has supported the humanitarian development-environment nexus by strengthening institutions in fragile contexts. In addition, GWSP support and analytical work have been instrumental in rebuilding the World Bank’s relationship with FCAS and in leveraging partnership for humanitarian action. However, it has been challenging for Water GP staff to access, absorb and deploy the range of GWSP supported global knowledge products to FCAS for greatest impact.

GWSP is highly engaged in global initiatives and fora, which have resulted in building knowledge to address global water, sanitation and related issues and to influence global discourse on water accordingly. By virtue of GWSP’s overall anchoring in cutting-edge knowledge, as well as its thematic orientation, activity design, continuity in support to countries over time, and capacity development GWSP has made important provisions for, and contributions to the sustainability of benefits delivered by Water GP projects.

The climate change agenda has had relatively little explicit visibility in the GWSP portfolio until now. However, the World Bank’s methodology to track resilience in its projects, *Resilience Rating System: A Methodology for Building and Tracking Resilience to Climate Change*<sup>17</sup> is now an integrated part of the GWSP M&E approach.

The mid-term review provided recommendations to further enhance GWSP’s design and approach to increase impact. These recommendations centered on (1) maintaining and enhancing the knowledge-into-implementation model; (2) increasing cross-sectoral collaboration; (3) building on country-level knowledge creation, dissemination, and capacity; (4) amplifying work on climate and inclusion; and (5) leveraging partnerships.

The GWSP Strategy Update addresses the mid-term reviews recommendations.

## 2.5 Links, Synergies and Danish Interests

It is of clear Danish interest to support initiatives that attempts to achieving the SDG goals. Securing access to water and sanitation for all is a Danish priority that GWSP delivers on.

**Danish embassies:** Denmark and the World Bank have a mutual interest in interacting through Embassies in relevant partner countries to enhance multilateral-bilateral cooperation and avoid overlap and gain the

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<sup>15</sup> EXTERNAL EVALUATION OF THE GLOBAL WATER SECURITY & SANITATION PARTNERSHIP (GWSP) – Universalia, August 2021

<sup>16</sup> <https://www.worldbank.org/en/topic/fragilityconflictviolence/publication/world-bank-group-strategy-for-fragility-conflict-and-violence-2020-2025>

<sup>17</sup> <https://openknowledge.worldbank.org/handle/10986/35039>

efficiency and effectiveness of coordinated action. In practice, this interaction can be enhanced e.g. through the presence of strategic water sector coordinator.

**Danida Sustainable Infrastructure Finance (DSIF)** and IFU have an interest in a closer connection with GWSP to explore potential investment co-financing opportunities in the DSIF focus countries. Analytics prepared by GWSP may also benefit DSIF and IFU preparation processes – particularly feasibility assessments -- to inform their investment portfolio. In addition, DSIF and IFU supported projects may have an interest in tapping into specific GWSP knowledge products on water and sanitation to develop their partners capacity and training, including using GWSP knowledge products on e.g. tariff structures and circular economy studies etc.

**Danish utility companies** have a specific interest in contributing to and learning from global development trends in the water and sanitation sector as such, including that to and from GWSP<sup>18</sup>. Specifically, GWSP knowledge generation is of interest for Danish utility companies involvement in their work with emerging economies and their technical assistance in their strategic sector cooperation. It is also of interest for Danish utility companies to inform GWSP on tools, mechanisms and develop cases studies that promote Danish products in a wider global context, specifically on reduced climate impacts and promotion of net-0 emission from water and wastewater treatment where Denmark is a global leader.

**Selected Danish NGOs** – e.g. Danish Red Cross and Danish Refugee Council – may have an interest in developing their capacity based on GWSP knowledge products especially in WASH to support their country specific WASH and WASH-like activities.

**Danish private sector** would have an interest in expanding their commercial space in emerging economies including into World Bank (GWSP informed) project preparation that could generate contracts. It is therefore of interest to the Danish private sector to subscribe to GWSP and promote their unique position in the market on quality and energy efficient and durable (sustainable) products.

**To facilitate and amplify a closer relationship between GWSP and Danish interests** the intention is to establish a forum in Denmark where Danish sector interests (MFA; Danish Embassies w. water sector strategic coordination; IFU; DSIF; DI (Confederation of Danish Industries); EKF; Pension funds; Utility companies; Contractors; Consultants) gets an opportunity to participate in one-day meeting once or twice per year with participation of representation from GWSP. The purpose of such a meeting would be to establish a closer cooperation between GWSP and Danish interests (commercial and non-commercial) through knowledge exchange and promotion of a marketplace between GWSP/World Bank and Danish commercial and non-commercial interests generating opportunities to match GWSP portfolio and Danish investment and commercial interests. The program for such a meeting day could include: i) Overview of GWSP/Water GP pipeline of initiatives/projects, ii) Specific presentation of projects at various maturity level (from identification to formulation to stage ready for tender) in relevant countries (e.g. DSIF focus countries); iii) “Deep dive” into a thematic area (e.g. Total costs of ownership (TCO); challenges of water supply in areas with high NRW; commercial interest in implementation of conduit hydropower and its impact on climate mitigation) of particular relevance (e.g. potential for co-financing; private sector engagement or for commercial interest) for Danish stakeholders e.g.: Presentation of Danish cutting edge knowledge within the water sector to GWSP – (day two with GWSP field visits in Denmark). In addition, or as an alternative, such a meeting could take place as a visit to the Water GP in Washington DC, or as part of the annual World Water Week in Stockholm. This should be organized jointly by MFA (GDK), DI and DSIF in cooperation with GWSP and supported by an external Danish consultant with specific knowledge of GWSP.

In addition, part of the support to GWSP should be reserved/earmarked to a Danish national technical professional or economist with development country experience recruited by the Water GP and financed

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<sup>18</sup> Interest expressed by Aarhus Vand

through the GWSP entering on equal terms with other World Bank staff, be invited to participate internal training events and follow Bank staff career patterns etc. This secondment would also act as liaison between GWSP and the Danish resource base.

### 3 Rationale and justification

#### 3.1 Rationale

World Bank remains the largest multi-lateral source of financing for water in developing countries. The Water GP currently manages a lending portfolio that includes 143 projects totaling USD24.79 billion, accounting for about 9 % of total World Bank lending. In addition, 127 projects with a water sector-related component managed by other GPs total USD19.4 billion. To complement these investments, GWSP has become the largest facilitator of cutting-edge research and analytics that create and deliver urgent, practical, and innovative operational solutions in the water sector. These resources help meet the urgent need for investment in data, analytics, technical assistance, and capacity development to support ambitious country programs that can accelerate progress towards SDG6. Targets for these analytical inputs are primarily technicians and political leaders involved in water delivery, quality, and resilience in emerging markets. The analytical work is demand driven and derived from extensive consultations and practical, real problems that are identified by counterparts, from ongoing lending operations, or engagements with other partners.

GWSP's position within the Water GP enables it to support client governments' actions and investments to achieve water related SDGs, through the generation of innovative global knowledge and the provision of country-level support, while catalyzing World Bank Group financial instruments and promoting global dialogue and advocacy with key partners and clients to increase reach and impact. GWSP enables the full integration of knowledge mobilization and operational work at global, regional, national, and subnational levels. At the same time GWSP enables the Water GP to increase its reach and influence both inside and outside the World Bank. The linkages among high quality analytics, engagements on policy and implementation issues at the highest levels of government, a global platform, and a direct link to investment make GWSP unique in the water sector.

GWSP's unique value as a "think tank" is that it has detailed knowledge of the planning, implementation, and effectiveness of recent and ongoing World Bank projects and GWSP can use this knowledge to support the global community in extending the coverage of "safely managed" water and sanitation within regions impacted by conflict and climate change. GWSP enables operational teams to support client governments to achieve water related SDGs and make informed choices on how to integrate them with climate action and investment. The Partnership also provides important analytical support to teams working on Country Climate and Development Reports (CCDRs), Climate Action Plans, and Nationally Determined Contributions (NDCs) for incorporating the role of water as an enabler and connector to climate change adaptation and mitigation solutions.

GWSP is engaged in all Danish program countries, including in all countries where DSIF and IFU have activities on water and sanitation. GWSP's work in situations affected by fragility, conflict, and violence (FCV) is an area of growing focus, and in the past years a third of GWSP's support was focused on FCV-affected situations and countries. GWSP's knowledge and analytical work at both global and country level could be accessed and utilized by DSIF and IFU in their endeavors to improve water supply and sanitation through their investments in selected countries.

#### 3.2 Justification of support according to OECD-DAC criteria

Continued support to GWSP is justified. GWSP supports the single largest knowledge generating platform on water and sanitation in the world, and GWSP could provide access to a wealth of knowledge and analytics relevant for Danish Embassies in support of project development, to influence priorities and policy development and strategic sector coordination; to improving project implementation for DSIF, NGOs and

public water utility companies and to identify opportunities for the Danish private sector suppliers, contractors, consultants.

The support is justified against the OECD-DAC evaluation criteria<sup>19</sup> as follows:

**Relevance:** “The world is not on track to achieve SDG 6” according to the latest *Summary Progress Update 2021: SDG 6 — water and sanitation for all, July 2021*<sup>20</sup> and working towards SDG 6 is seen as sluggish, uncoordinated, with insufficient financing and in some areas, progress has even been reversed. At the same time global warming is happening at a faster pace than previously projected.

GWSP’s objective is to achieve a water secure world for all by sustaining water resources, delivering services, and building resilience and is therefore highly relevant and perhaps more relevant than ever.

The GWSP is uniquely positioned to advance the SDG agenda to achieve the objective of a water-secure world for all. Because it is situated in and administered by the Water GP in the World Bank, GWSP will look for opportunities to leverage all instruments of the World Bank Group, including collaboration with other sector investments such as Health and Nutrition, Poverty, Environment/Climate Change and Agriculture, as well as the International Finance Corporation, and other relevant bilateral/multilateral organizations.

**Coherence:** GWSP seeks opportunities to enhance coordination among development partners with the aim to share knowledge and analysis and complement one another’s work across the water sector. This provides for more strategic and cohesive engagement with country counterparts. While these relationships are best managed at the country level, GWSP actively seeks to support efforts to cultivate and strengthen such partnership. This will also benefit DSIF and the broader GWSP policy and institutional support from TA over time.

Denmark will through its engagement in the GWSP Council be able to pursue and encourage cooperation between GWSP and Danish water and sanitation initiatives in relevant countries especially related to WASH and to DSIF investments.

**Efficiency:** GWSP is the largest global “think-tank” on water that develops international capacity and ability to apply international expertise and best practices in “water-write-large”, integrating climate change and social inclusion into all their activities.

GWSP influences the design and implementation of water sector reforms and infrastructure projects targeted at the SDG 6. In FY2021 GWSP influenced USD 14.2 billion in new lending projects by the World Bank Group. USD 6.7 billion through the Water GP plus USD 7.5 billion through other GPs including the GPs of Energy, Agriculture, Climate Change and Health.

**Effectiveness:** GWSP products are likely to be one of the most effective development initiatives contributing to meeting the goals of SDG 6 because it has a global outreach and because it covers in a holistic approach all elements of the water-write-large. GWSP will ensure that analysis and knowledge is accessible and relevant to country-level stakeholders. The vast majority of GWSP’s efforts, funds and focus are centered on country engagements, at the national and sub-national level. A strong emphasis is placed on quality analytics and strong delivery through policy dialogues with client governments and ensuring that this policy and implementation advice is embedded, as appropriate, in World Bank lending operations. GWSP works to help

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<sup>19</sup> <https://www.oecd.org/dac/evaluation/daccriteriaforevaluatingdevelopmentassistance.htm>

<sup>20</sup> [https://www.unwater.org/sites/default/files/app/uploads/2021/12/SDG-6-Summary-Progress-Update-2021\\_Version-July-2021a.pdf](https://www.unwater.org/sites/default/files/app/uploads/2021/12/SDG-6-Summary-Progress-Update-2021_Version-July-2021a.pdf)



countries achieve stronger results with more innovative and responsive approaches to new and existing challenges.

**Impact:** Through the generation of innovative global knowledge and the provision of country-level support, while leveraging World Bank Group financial the GWSP support will facilitate governments to achieve water related SDGs.

Support to the sector enhances impact of all activities in the country's water sector. Also new opportunities will be fostered to test and scale-up innovations, develop country capacity where needed and influence client demand and World Bank operations.

**Sustainability:** GWSP support development of both the systems used to deliver water supply and sanitation services and the infrastructure to ensure the optimal management of water resources. At the same time GWSP aims at addressing water scarcity, exacerbated by climate change and support makes water storage a priority issue, especially as it coincides with both high population growth and increased rainfall variability due to climate change. Ensuring that sustainable and climate-informed approaches are incorporated into the design and implementation of these services GWSP will facilitate long-term viability.

### 3.3 Alignment with Danish cross-cutting priorities

Gender and social inclusion is one of the five thematic priorities of GWSP and also values promoted by the Danish development cooperation. Access to water and sanitation is a human right, yet many people and groups remain excluded from its benefits. Further, water policies and programs are often gender blind and sometimes leave women and girls behind in both urban and rural areas. Poor sanitation is an even greater challenge for girls and women. Many GWSP technical assistances are targeted women on topics such as menstrual hygiene management, rights to land and sanitation at schools. Furthermore, GWSP aims to support gender mainstreaming in all World Bank water-related lending and all GWSP indicators are gender sensitive.

GWSP has built specific expertise in gender and inclusion, in a joint process with the World Bank's *Cross-Cutting Solutions Area on Gender Inequality*, so that it can act as a center of excellence and guide task managers and others in state-of-the-art approach to dealing with gender and inclusion in project design and in capacity development activities. Inclusion is an integrated part of GWSP's work and all GWSP supported projects address both gender and citizen engagement at the design and approval stages. In addition to being gender sensitive, water projects have become more inclusive. 46% of projects identify and address disability inclusion and 62% of water projects have introduced indicators related to inclusion in their results framework.

All GWSP supported projects are gender tagged/tracked by the World Bank Corporate Gender Unit and are tracked by indicators that *"measure[s] the percentage of projects that demonstrate a results chain by linking gender gaps identified in analysis to specific actions tracked in the results framework"*

## 4 Project Objective

Through analytical work and technical assistance, the GWSP complements World Bank lending operations and country dialogue.

GWSP's objective is to ***achieve a water secure world for all by sustaining water resources, delivering services, and building resilience.***

GWSP supports client governments to achieve water related SDGs, through the generation of innovative global knowledge and the provision of country-level support, while influencing World Bank Group financial

instruments and promoting global dialogue and advocacy with key partners and clients to increase reach and impact.

## 5 Theory of change and key assumptions

GWSP aims to support countries to meet the targets of the water-related Sustainable Development Goals (SDGs) and SDG 6 in particular. It takes a *"water-writ-large"* approach which highlights linkages between the sustainable management of water resources and the services that can be provided to all, while prioritizing the poor.

The Theory of Change (ToC) identifies key problems facing the water sector and the underlying challenges that must be addressed. Interventions are developed that are carried out across the five priority themes which are at the core of GWSP – sustainability, inclusion, institutions, financing, and resilience. The outputs of these interventions are Intermediate Outcomes which comprise products and services (including knowledge products, tools and approaches) which can be used by clients' partners and Bank staff to develop the capacity, knowledge, analysis and tools to enhance projects and improve institutional capacity to carry out reforms. Outcomes are the benefits expected in terms of change in condition or behavior of the targeted groups or institutions that result from the access to and use of outputs and intermediate outcomes.

In summary, GWSP activities influence water project design, strengthen dialogue, and enhance capacity, thereby contributing to outcomes towards sustainable, resilient, and inclusive water management and delivery and ultimately to the overall objective of achieving a water secure world for all by sustaining water resources, delivering services, and building resilience.

This ToC depends on assumptions at each level. In general, it is assumed that the program will be implemented in accordance with the design and the quality control and safeguard systems of the World Bank Group, and that partners and implementers will maintain their level of interest and commitment. In addition, key assumptions outside the direct control of GWSP include the following.

### Assumptions Outcome level:

- Sustained engagement by WBG with country authorities regardless of external pressures or shocks
- Sustained political willingness to address water sector challenges and advance towards the achievement of SDG goals related to water

### Assumptions Intermediate Outcome level:

- Country institutions and Bank staff are willing to incorporate results from knowledge and analytics into design/implementation of reform/infrastructure investment programs
- Appropriate systems in place for the effective management and mobilization of knowledge (AskWater and WEF)

### Assumptions Outputs level:

- All outputs are aligned to one or more of GWSP's five priority themes (institutions, sustainability, resilience, financing and inclusion).
- Support provided and outputs delivered are demand driven or GWSP leading edge knowledge derived from evidence-based approaches.
- Steady availability of grant resources

A diagram of the ToC is included in Annex 3.



## 6 Summary of the results framework

For results-based management, learning and reporting purposes Denmark will base the actual support on progress attained in the implementation of the GWSP as described in the documentation. Progress will be measured through the GWSP's monitoring framework focusing on a limited number of key outcome(s) and corresponding outputs and their associated indicators. Below is a summary of a results framework, based on the information from the GWSP Strategy Update (2022). The framework is necessarily indicative because detailed results and targets are developed on a project by project supported basis.

The GWSP's overarching Results Framework is embedded in the Theory of Change (as set out in Annex 3) and outlines how the GWSP's development objective will be delivered. The results framework is divided into three blocks.

- Block A tracks intermediate outcomes from activities funded by GWSP; reflects all the analytical, advisory, and technical assistance work to the governments that are directly funded by GWSP by priority themes.
- Block B tracks the outcome of the partnership influence based on the results of the World Bank lending by tracking the mainstreaming of the five priority themes in the water lending operations and the specific results achieved of lending influenced by GWSP.
- Block C tracks country wide impact by the World Bank of selected countries including countries where Denmark has an extended partnership: Ethiopia, Uganda and Bangladesh. It monitors combined effect of both lending and non-lending interventions at the country level and specific proxy indicators are established for the nine priority countries and country level reports/assessments are regarded as useful insight for the relevant Danish embassies. Results achieved in Block C countries will be reported against the targets that were set in their individual results frameworks when they exit Block C. For the first group of Block C countries this will be FY24 and for the second group it will be FY30. This will include updating quantitative indicators in the results framework as well as narrative reporting.

The current targets in GWSP's results framework are for the FY18-FY22 period. New targets are currently being developed for the FY23-FY30 period and are expected to be presented to the GWSP Council in 2023. This will entail assessing progress towards the current targets, reviewing the project pipeline, consulting with project teams to take into consideration any external factors and agreeing to a new set of targets for the existing and new indicators<sup>21</sup>. Similarly, baselines will be established based on averaging the progress for each indicator over the past three years taking into consideration any exogenous factors.

Structure of GWSP Result Framework	
Block	What is Measured
Block A	Institutions/policies strengthened in support of the five priority themes.
	Amount (in US dollars) of World Bank lending influenced by GWSP knowledge and technical assistance.
Block B	B1: Influence in the design of World Bank's Water GP lending.

<sup>21</sup> Existing Block A and Block B indicators have been supplemented with new indicators to respond to comments of the External Evaluation of GWSP and to better track key issues relating to inclusion and climate change.

	B2: Access/availability of services and number of strengthened institutions across all water subsectors, reported by active World Bank lending portfolio in the water sector.
Block C	Combined results from technical assistance and knowledge work, and lending operations influenced by these in selected countries. (until 2024 these will be Bangladesh, Benin, Bolivia, Egypt, Ethiopia, Haiti, Pakistan, Uganda, Vietnam).

#### Results framework for GWSP<sup>22</sup>

Project/Program	Global Water Security and Sanitation Partnership
Project/Program Objective	A water secure world for all
Impact Indicator	SDG 6 + other water related SDGs attained Sustainable, resilient and inclusive water management and service delivery
Baseline	TBD

Outcome (Block B2)		Institutions strengthened and country policies, legal and regulatory frameworks in place	
Outcome indicators		Policies / strategies / regulatory frameworks strengthened	
Baseline	Year	2022	TBD
Target	Year	2030	TBD

Outcome (Block B2)		Infrastructure investment programs implemented contributing towards sustainable, resilient and inclusive water management and service delivery	
Outcome indicator		People with access to improved water sources (million) (gender disaggregated) People with access to improved sanitation (million) (gender disaggregated) Water user associations created/strengthened	
Baseline	Year	2022	TBD
Target	Year	2030	TBD

Outcome (Block A & B1)		Influenced development finance investments in the water sector	
Outcome indicator		Amount (in US dollars) of World Bank lending influenced by GWSP knowledge and technical assistance. Influence in the design of World Bank’s Water GP lending	
Baseline	Year	2022	TBD
Target	Year	2030	TBD

Outcome (Block B1)	Enhanced capacity of service delivery institutions to design and implement investment programs and raise commercial finance
Outcome indicator	Number of new projects approved % of new projects that promote sustainable and efficient water use % of new projects that are gender tagged % of new projects with other social inclusion aspects

<sup>22</sup> Indicators will allow the tracking of progress across the three blocks, the five priority themes and the 4 business lines of the Water Global Practice, 34 indicators have been included in the revised strategy document. Only key illustrative indicators have been included in the table below.

		% of projects that support reforms/actions that strengthen institutional capacity % of projects with explicit focus on leveraging private finance Net GHG emissions (tCO <sub>2</sub> eq/year)	
Baseline	Year	2022	TBD
Target	Year	2030	TBD

Outcome		Validation of the WSSP model across the results chain in select priority countries	
Outcome indicator		Combined results from technical assistance and knowledge work, and lending operations influenced in selected countries. [An individual results framework will be set for each country included in the new group of Block C countries when they are selected in 2024]	
Baseline	Year	2022	TBD
Target	Year	2030	TBD

The results framework with related indicators will be monitored closely to ensure progress towards targets and will be discussed annually in the GWSP Annual Report and adjustments are possible through the GWSP Council to be captured during the following Annual Report.

## 7 Budget

Funds for GWSP are made available through the dedicated Multi-donor trust fund: GWSP Trust Fund.

The total estimated budget for GWSP is USD320 million over an eight-year period, from FY 2023 –FY 2030 (July 1, 2022 – June 30, 2030) <sup>23</sup>. These resources will continue to support the knowledge into operations (Block A) and operations (Block B).

With the World Bank trust fund reform (Umbrella 2.0) and expected operational changes made to GWSP, the trust fund budget can be utilized in two ways:

1. **Recipient-executed (RE)** -- activities that are implemented by a third-party recipient under a Grant Agreement. RE activities include investments and technical assistance co-financed through IDA/IBRD loans and credits; capacity building; policy support and implementation; training; pre-investment feasibility studies; project preparation; project implementation including preparation of bidding documents. The Bank appraises and provides implementation support for RE activities.
2. **Bank-executed (BE)** -- activities that are carried out by the World Bank as part of its regular work program (parallel to core funding). BE activities include project identification and appraisal, project implementation support, knowledge dissemination, technical assistance, impact evaluation, research activities and other knowledge products, and analytics and advisory services. Trust fund Program Management and Administration are also BE activities.

The Umbrella 2.0 anticipate approx. 88% is to be Recipient Executed – i.e. by client countries –and 12% World Bank executed – i.e. knowledge management and support to operations. This, however, has not been the case so far for GWSP due to funding limitations and all GWSP funds have so far been World Bank executed.

The indicative annual GWSP budget is based on historical allocation and disbursement trends and the Water GP pipeline of projects.

<sup>23</sup> GWSP Strategy Update

Outcome	GWSP annual budget USD million	% of total	GWSP annual budget in DKK million <sup>24</sup>
Global Knowledge and Analytics	15.8	40%	107.9
Regional Knowledge and Analytics	18.3	45%	125.0
Knowledge Sharing and Dissemination	3.0	8%	20.5
<b>Total project support (outcome) costs</b>	<b>37.1</b>		<b>253.4</b>
GWSP Program Management & Administration	2.2	5%	15.0
Communications	0.7	2%	4.8
<b>Total administration and project management costs</b>	<b>2.9</b>	<b>7%</b>	<b>19.8</b>
<b>GRAND TOTAL</b>	<b>40.0</b>	<b>100%</b>	<b>273.2</b>

This budget would enable the GWSP to respond to growing demand and maintain its current level of high-quality support to clients. The annual GWSP administrative and project management costs is 7%.

**The Danish support to GWSP over 4 years (2023 – 2026)** is intended to be as follows:

Distribution	DKK million	% of total	USD million <sup>25</sup>
Non earmarked funds transferred to GWSP	73.0	91.3%	10.69
Earmarked to recruitment of a Danish Sector Specialist transferred to GWSP	6	7.5%	0.89
<b>Total transferred directly to GWSP</b>	<b>79.0</b>	<b>98.6%</b>	<b>11.57</b>
External follow up and information sharing with the Danish Resource Base	1.0	1.3%	0.15
<b>GRAND TOTAL -- Danish grant support to GWSP</b>	<b>80.0</b>	<b>100%</b>	<b>11.71</b>

Denmark will, with a support of DKK80 million over four years, obtain influence and have voting rights at the GWSP Council – which is achieved by support of minimum USD2 million per year or equivalent to approx. DKK54.6<sup>26</sup> million over 4 years.

The Danish grant will be spent on activities leading to the expected outputs and outcomes as agreed between the World Bank and the Ministry of Foreign Affairs. The World Bank is responsible for ensuring that the funds transferred to GWSP are spent in compliance with the agreement and with due consideration to economy, efficiency and effectiveness in achieving the results intended. The Danish grant must be spent solely on activities leading to the expected outputs and outcomes as agreed between the parties. The implementing partner is responsible for ensuring that the funds are spent in compliance with the agreement and with due consideration to economy, efficiency and effectiveness in achieving the results intended.

It is assessed that the Danish support to GWSP can be accounted as significant (50%) for both climate change adaptation and mitigation based on the guidance of OECD DAC Rio-markers for climate. The priority themes of GWSP regarding sustainability and resilience have both a strong focus on climate change adaptation and

<sup>24</sup> The budget is developed in USD – exchange rate used is USD1 = DKK6.83

<sup>25</sup> To be retained in a separate project account with the Ministry of Foreign Affairs Denmark

<sup>26</sup> Exchange rate USD1 = DKK6.83

mitigation and are explicitly stated as part of GWSP objectives but are not the fundamental driver of the trust fund. Climate change has been an increasing focus of GWSP's work and water plays a key role across all pillars in the World Bank's Climate Change Action Plan. GWSP funding helps support climate and disaster risk screening, climate co-benefits assessments, greenhouse gas (GHG) accounting analyses, the use of a carbon shadow price in economic analysis, and integration of climate change indicators into projects' results frameworks. Based on the strategic update of GWSP, climate finance and resilience will remain an integral priority for GWSP over the coming years.

## 8 Institutional and Management arrangement

### 8.1 Presentation of the organizational set-up

GWSP is guided by a Charter adopted on March 16, 2017 that defines the formal governance arrangements for the GWSP. The GWSP Council decides on approval and amendment of this Charter.

#### Council

The GWSP Council acts as the governing and decision-making body of GWSP, including strategic guidance on the direction of the trust fund, assessment on the progress of work program implementation and the results achieved as well as financial and administrative matters.

All donors are represented in the Council and a donor meeting prior to the council meeting is taking place. Denmark will participate in the annual council meeting with an official representative from the Danish Ministry of Foreign Affairs in Denmark. Meeting preparation will be assisted by Danish external support.

#### GWSP daily management

The Water GP manages the GWSP and is accountable for the proper management of the program. The World Bank will maintain an organizational and management structure for the GWSP that enables the GWSP to carry out its global mandate and activities and ensures accountability for expenditure of funds.

A Danish Sector Adviser, recruited through and financed by "earmarked" GWSP funds, will be placed in the Water GP referring directly to the GWSP manager. In addition, to tasks directed by the GWSP manager, the Sector Adviser will promote close liaison between GWSP and Ministry of Foreign Affairs of Denmark on relevant issues and will contribute to enhance relevant learning opportunities to the Danish resource base. The Danish Sector Adviser will be employed and follow regulations of WBG Donor Funded Staffing Program and will depend on final approvals from both Denmark and the World Bank.

Solicitation of Danish interest in GWSP will be facilitated through bi-annual meetings organized by the Danish MFA and with participation of interested parties, including representation for Danida Sustainable Infrastructure Finance, Danish Water Sector Cooperation (e.g. 3Vand) relevant Danish development NGOs and the Confederation of Danish Industries – Water Unit. A least one meeting will be held in due time to inform the Danish participation in the annual GWSP Council meeting. These meeting will be informed by the Danish Sector Advisor in GWSP and organized and facilitated by an independent external Danish specialist. A list of active GWSP projects is included in the Council meeting documents. It is also expected that annual GWSP work plans will be presented to the council moving forward and these two documents will be shared with the interested parties and relevant Danish embassies.

The Danish external assistance, under separate contract with the Danish MFA, will throughout the course of the year closely following the development of GWSP activities and ensure that the Danish MFA representative responsible for GWSP is updated at all times on relevant development.

## 8.2 Monitoring and reporting

The GWSP Program Management Team is responsible for monitoring of the portfolio of GWSP activities and for reporting to Council members and World Bank management on outputs and results at the Program level.

Results reported by the Regions and GPs will be aggregated into the Program level Results Framework. The Program Management Team prepares an integrated Annual Report that summarizes the GWSP's work. Results will be reported using the program level Results Framework, based on an analysis of the theory of change.

The Annual Report will also include financial reporting information. The GWSP Program Council meeting provides the opportunity for Council members to review progress towards targets set out in the results framework to allow Council members to assess the overall progress and contributions towards desired outcomes, as stated in the theory of change, and inform the strategic direction of GWSP.

## 8.3 Knowledge Management and Learning

A key cornerstone of GWSP is learning, knowledge sharing and management. GWSP provides client countries and other development partners with global knowledge, innovative solutions to specific challenges, and country-level technical support. This support influences the design and implementation of client policies, programs, regulations and implementing guidelines, as well as water sector investments and reforms carried out by governments with the support of the World Bank and other partners. At the same time, lessons learned and emerging trends from activities at the country level can be analyzed to inform global priorities, analytics, and diagnostic tools.

As a general indicator of the reach of GWSP knowledge products, the largest number of downloads by region has consistently been seen in North America, Europe, and Asia. Analysis suggests that national governments and stakeholders are not *directly* engaging with the knowledge products but rather are exposed to their insights and guidance through the Bank and other global intermediaries.

## 8.4 Anti-corruption measures

No offer, payment, consideration, or benefit of any kind, which could be regarded as an illegal or corrupt practice, shall be made, promised, sought or accepted - neither directly nor indirectly - as an inducement or reward in relation to activities funded under this agreement, incl. tendering, award, or execution of contracts. Any such practice will be grounds for the immediate cancellation of this agreement or parts of it, and for such additional action, civil and/or criminal, as may be appropriate. At the discretion of the Government of Denmark, a further consequence of any such practice can be the definite exclusion from any engagements funded by the Government of Denmark.

To ensure full transparency and openness in GWSP governance and financing operations and to deter fraud and corruption, oversight and investigation and pursue sanctions related to allegations of fraud and corruption in World Bank Group-financed projects is carried out by The Integrity Vice Presidency (INT) an independent unit within the World Bank Group. INT supports the main business units of the World Bank Group and external stakeholders, mitigating fraud and corruption risks through sharing investigative findings, advice, prevention and outreach efforts.

## 8.5 Communication of results

Strategic communication and advocacy efforts bring World Bank water research a significant additional amount of attention from decision-makers around the globe.

GWSP uses its own web-site: <https://www.worldbank.org/en/programs/global-water-security-sanitation-partnership> as an important platform for sharing knowledge and leading global thinking in the digital space

and attracts over half a million visitors per year. In addition, the GWSP prepares newsletters to GWSP contributors with links to the most relevant products and the latest news and developments. GWSP staff participate in global events and leadership meetings to promote GWSP analytical work and knowledge sharing.

Denmark's communication of results from GWSP will include ad hoc meetings held in Denmark. The GWSP and the seconded sector adviser should aim to participate once per year, in a meeting with the interested Danish resource on a specific thematic water related issue. In addition, the Ministry of Foreign Affairs webpage will have links to relevant GWSP sites, and the support will form part of broader communication on strengthening climate and environment in Danish development assistance.

## 8.6 Special conditions

The MFA of Denmark shall have the right to carry out any technical or financial supervision mission that is considered necessary to monitor the implementation of the program.

After the termination of Denmark's support to GWSP, the MFA of Denmark reserves the right to carry out evaluations in accordance with this article.

## 9 Financial Management, planning and reporting

The GWSP is a multi-donor trust fund (MDTF) funded by Development Partners and private funds. The World Bank accepts the contributions on behalf of the GWSP, according to its policies for acceptance of external funds, normally in cash under trust fund agreements between the donor and the World Bank.

GWSP prepares an annual public available report to showcase analytical and knowledge work and report on progress of the results frameworks indicators and targets set at the beginning of the reporting year.

GWSP funds will be spent in accordance with the Strategic Update as approved by the GWSP Council. Procurement of goods and services and financial reporting and auditing arrangements will follow World Bank policies and procedures.

GWSPs follow the World Bank's procurement rules and regulations, including the at all times latest updated version of Bank Directives (currently dated January 2020<sup>27</sup>). This Framework includes focus on value for money, more ways for bidders to differentiate bids, and more opportunities for dialogue and discussion. World Bank procurement staff are based in 72 countries to support borrowers throughout the procurement process. Staff work with governments to achieve the highest bidding and contract management standards to get the best development result.

Financial data are also available and accessible by contributing Development Partners through the World Bank Development Partner Center website.

The Danish Ministry of Foreign Affairs reserves the right to carry out any technical or financial mission that is considered necessary to monitor the implementation of the program. After termination of the program support, Denmark reserves the right to carry out evaluation in accordance with this article.

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<sup>27</sup> <https://www.worldbank.org/en/projects-operations/products-and-services/brief/procurement-new-framework>



## 10 Risk Management

The recently completed external evaluation<sup>28</sup> found that there are multiple risks to the sustainability of GWSP benefits. The updated strategy identifies risks at each level of the ToC and describes the mechanisms that will be applied to manage and mitigate them. In general, risks are addressed using the standard approaches, procedures and mechanisms of the World Bank Group - the Operational Risk Assessment Framework, which includes environmental and social risks, as well as political and governance risks, among others, while the trustworthiness of analytical and technical solutions are included in the mandates of the Water GP and the GWSP and kept under continuous review.

When the Water GP or the GWSP determines to go forward with the preparation of a new analytical activity or a lending operation, assessments of risk are made and mitigation measures include adjusting the scope or design, developing an action plan with specific mitigation measures, and determining the level of implementation support for the intervention based on its risk profile. These risk assessments are updated throughout the life of the activity.

Risks are well managed and monitored, therefore, including provision for new risks that might arise as the GWSP extends operations or partners with new countries. From a Danish perspective, and applying the terminology used in the Danida AMG (WBG uses a slightly different terminology) analysis and response for the main contextual, programmatic and institutional risk factors is summarized below. A risk management matrix is attached at Annex 4.

The main residual programmatic risk is that the assumption underlying the objective of the program will not be realized. Successful implementation of GWSP is built on the assumption that water related SDGs will be reached through the generation of innovative global knowledge and the provision of country-level support, while leveraging World Bank Group financial instruments and promoting global dialogue and advocacy with key partners and clients. This is dependent on contextual factors that may vary greatly between countries and over time. Country conditions and capacity, political and social instability, and political economy considerations may prevent or delay adoption of optimal solutions. The practical challenges and the scale of reform needed may exceed the technical and financial resources available.

Several overall challenges also exist to the broader water agenda which can be risks of achieving the targets of SDG6 and the objectives of the GWSP. Some of these factors include a rapidly increasing population and economic growth that strain finite and increasingly degraded water resources, which will increase the scale of the challenge to achieve SDG 6. Population growth is driving higher rates of urbanization and boosting greater competition between agricultural, industrial, municipal, and environmental water uses. This will disproportionately impact the poor.

As with all development programs there are risks from natural disasters or socio-economic shocks, such as the COVID-19 pandemic and climate change. These are addressed by flexibility, adaptability, and technical knowledge that allow implementers to quickly pivot to respond to arising shocks; as well as the increased focus on Water, Economy, and Climate that will help mitigate risks related to climate change.

At country level there is a high/medium risk that misalignment between client and donor/WB strategies could affect program support and an associated concern that lack of commitment and ownership by clients leads to a failure to implement policy advice. This will be addressed by an emphasis on building institutional capacity among government counterparts to mitigate risks related to political leadership and political will for

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<sup>28</sup> EXTERNAL EVALUATION OF THE GLOBAL WATER SECURITY & SANITATION PARTNERSHIP (GWSP) – Universalia, August 2021



progress in water and sanitation among partner country governments and long-term engagement with country governments to enable continued dialogue during periods of wavering commitment/leadership.

Misuse and misappropriation of funds at country level is a risk. The firm financial control mechanisms engaged by the World Bank and its anti-corruption mechanisms in place will minimize this risk.

It is also a risk that Danish interests miss out on knowledge generated and opportunities promoted arising from GWSP or that GWSP knowledge products and recommendations are not followed and used by client countries. Danish participation in the consultative group and council, and the proposed thematic meetings in Denmark and secondment of a Danish sector specialist will reduce this risk.

## 11 Closure

It is anticipated that support to GWSP is required further into the future than the current Danish support to GWSP (current strategy is 2022 – 2030). In addition, water related issues are anticipated to be themes for continued support from Denmark for the foreseeable future.

A decision for Denmark to continue support to GWSP could be conditioned on GWSP's performance and achieving the current set of result targets.

# Annexes

## Annex 1: Context analysis

### 1. Overall development challenges, opportunities and risks

***Briefly summarise the key conclusions from the analyses consulted and their implications for the programme regarding each of the following points:***

General development challenges including poverty, equality/inequality, national development plan/poverty reduction strategy, humanitarian assessment.

Many of the challenges of our time revolve around water. Fortunately, so do their solutions. Human health and human capital are boosted when water and sanitation services are provided to all. Water is a buffer against climate change through its role in adaptation. Food insecurity is reduced through better drought management practices. And political crises can be abated by better engaging communities in the management of public services.

Water security is at the apex of a hierarchy of increasingly integrative concepts that build from multi-faceted water services (productive, protective, sustenance) water scarcity (volumetric availability) to water stress (supply-demand balance, accessibility, equity, water quality, environmental flows), to water risk (extreme events, financing, governance), and finally water security (resource management, service delivery, risk management, system resilience).

#### **Development in key economic indicators**

Progress toward achieving SDG 6 was seen as sluggish, uncoordinated, with insufficient financing and in some areas, progress has even been reversed. The COVID-19 pandemic swept across the globe, disrupting all aspect of daily life and threatening development gains made over the last two decades. Then in August of 2021, the International Panel on Climate Change (IPCC) reported that global warming is happening at a an even faster pace than originally thought<sup>29</sup>, highlighting the urgency of the climate issues while further linking water challenges and solutions to the climate response.

Achieving a water secure world for all is more urgent than ever. Water is paramount to responding and recovering from these compounding crises. Water flows through nearly every SDG, targets that are only achievable with water supplies available for food, safe drinking water and sanitation systems for health, water to produce energy and power industries and new jobs, and water to nourish the planet's ecosystem and protect biodiversity.

Water security requires balancing multiple objectives and different values and perspectives, and thus, requires consultation and cooperation between stakeholders, including water resource managers, service providers, water users, sectors exposed to water risks, environmental groups, amongst others. Stakeholder participation is critical for voice, transparency, and accountability of coordinated decision-

<sup>29</sup> <https://www.ipcc.ch/report/ar6/wg2/>

making, results-oriented action, conflict management, as well as raising societal awareness and facilitating critical behavioural changes.

**Status and progress in relation to SDGs, in particular those that are special priorities for Denmark.**

Water flows through nearly every SDG and is a driver of development. This requires integrative approaches across the water sector to deliver wholistic solutions and strong collaboration and partnership with those outside the sector. Response to the COVID-19 pandemic necessitated working across sectors to achieve near-term objectives for infection prevention and control as part of the emergency response.

GWSP's work contributes directly to countries achieving SDG 6 as well as other water-related SDGs. First, the partnership seeks to change *how* governments approach their water investments, so they can achieve the SDGs. This means expanding traditional brick-and-mortar approaches to incorporate improvements in overall sector sustainability, financing, resilience, institutions, and inclusion. Second, GWSP seeks to change *where* governments invest. This means making water service providers more creditworthy so that public funds can be used to leverage additional resources. It also means encouraging countries to take a more integrated approach to water, that is, shift their demand toward more integrated investments across the water spectrum.

**- Political economy, including drivers of change (political, institutional, economic) (e.g. political will, CSO space, role of opposition, level of donor funding to government expenses, level of corruption, foreign investment, remittances, role of diaspora, youth, gender, discovery of natural resources or impact of climate change etc.)**

It is clear that to meet country development objectives and SDG targets, more focus will need to be placed on delivering water with and through others. This will require strengthening collaboration with other sectors including agriculture, urban, environment, energy, education, to name a few. It will also require strong collaboration with external partners on the global, regional, and national levels. In the coming period, GWSP will continue to build on and intensify efforts to facilitate these connections and strengthen these linkages in its knowledge work and technical assistance.

Over the coming period GWSP will strengthen its focus on making the linkages between water and climate change, social inclusion, finance, and supporting teams with knowledge and capacity development working in FCAS contexts.

Over the past five years, GWSP has enabled operational teams to work with over 400 partners on many different levels and across a variety of different sectors, including by providing funding and space for collaboration. This collaboration has included working with UN agencies such as WHO, UNICEF, and UN-Water to influence the global dialogue on water related SDGs and promote action related to the water and climate nexus; working with River-based institutions or commissions such as the Sahel Commission; and working with partners across the water sector through country-level water platforms, to name a few. This collaboration is pivotal to effectively and efficiently developing and disseminating knowledge products at the national level and globally.

The vast majority of GWSP's efforts, funds and focus are centered on country engagements, at the national and sub-national level. Ensuring that our analysis and knowledge is accessible and relevant to our country-level stakeholders is and remains a priority for the Partnership. These engagements include capacity and knowledge development activities, such as onsite workshops, policy reviews and dialogues.

They also include communications efforts to widely share knowledge and learning in client countries. Moving forward, GWSP will continue to build on and strengthen these efforts at the national and sub-national level. Knowledge creation and capacity building at the country level are particularly important for ensuring GWSP activities are better linked to country strategies and needs and for building buy-in for sometimes difficult reforms, which will be necessary to accelerate progress towards meeting the SDGs while also addressing the related climate and water challenges as well as the economic recovery from the COVID pandemic. To complement efforts, communications activities will be enhanced at the country level.

***Key documentation and sources used for the analysis:***

GWSP Strategy Update 2022

GWSP 2018 Annual Report

EXTERNAL EVALUATION OF THE GLOBAL WATER SECURITY & SANITATION PARTNERSHIP (GWSP) –  
Universalis, August 2021

**No additional Studies are needed.**

## Annex 2: Partner Assessment

The Partner Assessment is primarily based on information provided by the GWSP management, <https://www.worldbank.org/en/topic/water> and the EXTERNAL EVALUATION OF THE GLOBAL WATER SECURITY & SANITATION PARTNERSHIP (GWSP) – Universalialia, August 2021

### Brief presentation of partners

The World Bank as host of GWSP, is a long-standing trusted partner and has administered series of trust funds with Danish contributions. The GWSP has the potential of influencing the World Bank's USD 29 billion water-related portfolio. Further, the World Bank's Water Global Practice, where Global Water Security and Sanitation Partnership (GWSP) is anchored, is one of the largest knowledge generating platforms in the World. WGP is an integrated part of the World Bank and will look for opportunities to leverage all instruments of the World Bank Group, including collaboration with other sector investments such as Health and Nutrition, Poverty, Environment/Climate Change and Agriculture, as well as the International Finance Corporation, MIGA, and other relevant bilateral/multilateral organizations.

### Summary of partner capacity assessment<sup>30</sup>

The World Bank's Global Water Security and Sanitation Partnership (GWSP) was created in 2017. It resulted from the integration of both the Water and Sanitation Program (WSP) and Water Partnership Program (WPP), towards realizing the shared "Water-Writ-Large" Agenda of the World Bank's Water Global Practice (GP) and its Partners. This agenda notably seeks to address water sector challenges through a holistic approach, in which global agendas, commitments and priorities at the intersection of water and other sectors are advanced. GWSP has integrated pro-poor development and sustainability considerations throughout its work, including global knowledge product development, contextualized analytics, TA, and in enabling "boots on the ground" of World Bank teams. The GWSP "Knowledge into Implementation" model provides additionality to the Water GP in enabling the mobilization of high-quality knowledge, country exposure to global diagnostics, extensive knowledge adaptation to contextual priorities, Just-in-Time (JiT) TA provision, laying the groundwork for replication and scale up in lending operations, and long-term country engagement. With GWSP embedded in the Water GP, there is a near complete integration of knowledge mobilization and operational work, with a strategic value-add.

GWSP enables knowledge mobilization and engaged "knowledge-based advocacy" globally, regionally, and nationally. Doing so has raised the profile of water issues and increased the reach and influence of the Water GP. Knowledge-based work and operations are highly integrated at country-level. GWSP is having increasing influence on World Bank operations and lending, and thus country borrowing, to address key water development and sustainability challenges. Influenced operations also provide an umbrella for continued GWSP engagement and support, towards addressing a broader range of known and emergent priorities. The GWSP is well managed and has strong capacity to respond to requests from World Bank operations.

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<sup>30</sup> EXTERNAL EVALUATION OF THE GLOBAL WATER SECURITY & SANITATION PARTNERSHIP (GWSP) – Universalialia, August 2021

Its lean structure with 5 staff, embedded in the Water GP, allows it to be agile and communicate efficiently across the Water GP, facilitating the realization and adaptation of the “Knowledge into Implementation” model. The participatory and JiT resource allocation to the Practice Managers fosters ownership and results delivery.

However, the allocation of resources is perceived as somewhat lacking in transparency by Council Members. Nevertheless, Council Members have clearly appreciated the receptivity of the GWSP Secretariat to their guidance and input.<sup>31</sup>

Overall, GWSP has a strong monitoring and evaluation (M&E) system, although there are gaps in measuring knowledge uptake. However, the GWSP Results Framework is not well aligned with SDG indicators, pointing to a broader issue on the lack of country capacity for implementing and reporting on “safely managed” water and sanitation. Finally, while the Results framework includes some indicators disaggregated by sex, its design does not fully capture the breath of GWSP’s contribution to Gender Equality and Women’s Empowerment (GEWE).

### Summary of key partner features

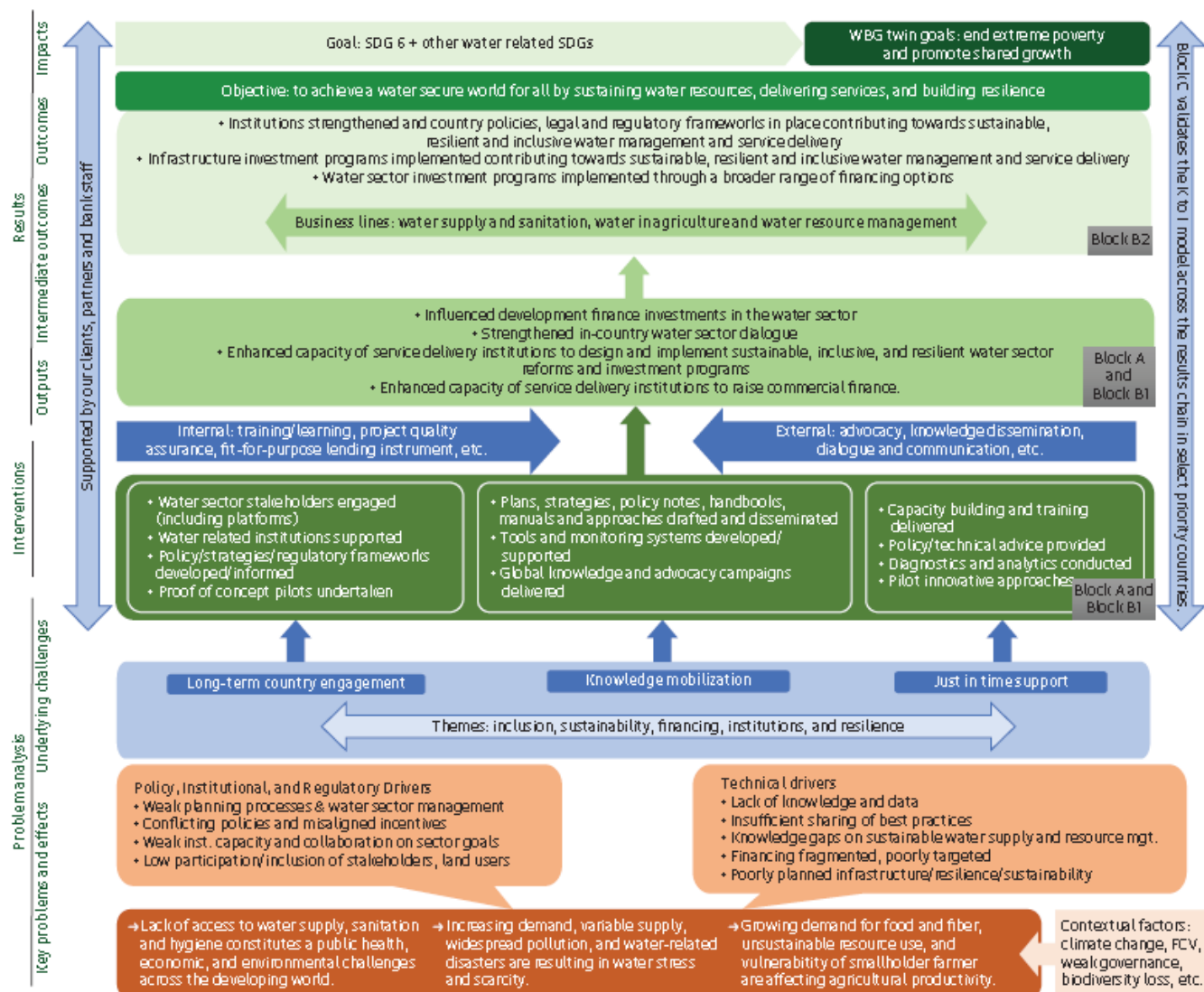
Name of Partner	Core business <i>What is the main business, interest and goal of the partner?</i>	Importance <i>How important is the project/program for the partner's activity-level (Low, medium high)?</i>	Influence <i>How much influence does the partner have over the project/ program (low, medium, high)?</i>	Contribution <i>What will be the partner's main contribution?</i>	Capacity <i>What are the main issues emerging from the assessment of the partner's capacity?</i>	Exit strategy <i>What is the strategy for exiting the partnership?</i>
GWSP	Provide knowledge management, relevant analysis of policies and cutting edge technology, technical advise and other cross support activities to the Water Global Practice	Medium: Denmark’s contribution constitutes about 5% of the total budget.  Denmark’s resource base get access to information and opportunities	High, guided by the GWSP Council	Research, knowledge management and convening advocacy within priority themes on: Sustainability, Inclusion, Institutions, Finance, and Climate Resilience	Strength: GWSP has global coverage and one of the largest think-tanks on water in the World. Weakness: Focus is to a large extent driven by client countries through operational demands from the Water GP Opportunities: Support to GWSP generate access to information for the Danish Resource Base and for the Danish resource based to promote Danish cutting-edge solutions Threats: GWSP exists only as long as donors provide support	Water will be high on the development agenda for the near future and GWSP will continued until 2030. Support from Denmark will be considered when the current support ends
World Bank Water Global Practice	Provide project preparation and lending operation to client countries within the water write-large sector.	High: Support to GWSP provide the knowledge and information to improve and influence high quality investment in water	High: Influence WB client demands on type, design and results on WB lending, Approx. USD 30 billion, in water infrastructure	Lending and advisory services to client countries in: Water supply and sanitation; Water security and integrated water resource	See above Global coverage Integrated part of World Bank operations Staffed with 300 water experts	Water will be high on the development agenda for the near future and GWSP will continued until 2030. Support from Denmark will be considered when

<sup>31</sup> Based on interviews with GWSP partners: Australia’s Department of Foreign Affairs and Trade; Gates Foundation; Swedish International Development Assistance (SIDA), and the Netherlands Foreign Trade and Development.

				management; Water for Agriculture; Hydro power and dams; Water poverty and economy		the current support ends
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## Annex 3: Theory of Change

FIGURE 4 GWSP Theory of Change





#### BOX B Key Components of the Theory of Change

**Key problems and Effects (dark orange box):** This section identifies some key problems facing the water sector across the three business lines – WSS, WRM and WiA. For instance, lack of access to WASH in WSS, or water stress and scarcity within WRM and food security within WiA. Alongside these problems are cross cutting contextual factors which must be considered when addressing these problems, such as climate change, FCV, weak governance, etc. This is not meant to be an exhaustive list; it provides an illustration of the types of problems that GWSP aims to address.

**Underlying Challenges (lighter orange box):** The ToC identifies some of the underlying challenges (or root causes) that must be addressed. These underlying challenges are illustrated in two areas – Policy, Institutional, & Regulatory Drivers and Technical Drivers and include root causes such as weak institutional capacity, lack of multi-stakeholder engagement, data/knowledge gaps, poorly planned infrastructure, etc.

**Interventions (blue box):** GWSP has three intervention (or entry) points: (i) long-term country engagement, (ii) specialized knowledge, and (iii) just-in-time technical assistance. Interventions are carried out across all five priority themes which are at the core of GWSP – sustainability, inclusion, institutions, financing, and resilience (refer to earlier sections which describe the entry points and priority themes).

**Outputs (dark green box):** Outputs are products and services provided through the implementation of activities and they are the beginning of GWSP's results achievement. This is the "starting point of the "knowledge to implementation" model (refer to Knowledge to Operations section for more details). These activities are carried out by the Water GP staff in collaboration with clients and partners (refer to Working with Partners section). Examples of outputs include stakeholder engagement, regulatory policy informed, technical assistance provided, knowledge products published and disseminated, tools developed, innovative approaches piloted, etc.

Assumptions at this level include support provided, and outputs delivered are demand driven and requested from client or Bank staff. In cases where outputs are not demand driven, it is assumed that GWSP is engaging in leading edge knowledge communities to influence our clients. It is also assumed that there is a steady availability of grant resources to carry out activities and appropriate mechanisms are in place throughout the process to ensure quality of outputs.

**Intermediate outcomes (lighter green box):** Intermediate outcomes are the necessary condition to achieve the next desired level of outcome. Through internal and external learning events, global advocacy, ongoing dialogue and communication, capacity development initiatives, knowledge dissemination activities, quality assurance mechanism incorporated as part of the WB project design, etc., clients, partners and Bank staff are better informed and equipped with the latest knowledge, analysis, tools to enhance projects and improve institutional capacity to carry out reforms.

Assumptions at this level include there is willingness from country institutions (clients), partners and Bank staff to incorporate the knowledge and analytics into design/implementation of reform/

*(continued)*

## BOX B Continued

infrastructure investment programs. It is also assumed that there are appropriate systems in place for the effective management and mobilization of knowledge.

**Outcomes (light green box):** Outcomes are the benefits expected in terms of change in condition or behavior of the targeted groups or institutions that result from the access to and use of outputs and intermediate outcomes. Achievement of an outcome often depends on the cooperation of other people or institutions beyond the control (but not necessarily the influence) of those implementing a TF's activities.

Assumptions at this level include there is sustained engagement by the Bank with country authorities and there is sustained political willingness from the clients and partners to address water sector challenges and advance towards the achievement of SDG goals related to water.

Achieving the overall objective of GWSP is a cumulative effect of multiple factors, including reform and activities implemented by our clients and partners outside the influence of GWSP.

## Annex 4: Risk Management

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
<b>Contextual Risks</b>					
Political and regulatory framework conditions within a recipient country change during the implementation period or necessary regulatory changes are deprioritized.	Likely	Significant	Selection of GWSP solutions will take political stability and regulatory risks into account.	Minor	Solutions require legislative changes as well as budgetary resources. Partners are aware of these issues.
Global or widespread external economic dislocations or internal financial disruption (inflation, foreign debt, currency crisis etc.).	Likely	Major	A stepwise approach to developing solutions and a flexible management system plus the spread of operations across countries representing a diverse geographical and development context.	Minor	There may be disruptive external events but the programme is sufficiently diverse and flexible to respond appropriately.
<b>Programmatic Risks</b>					
Successful implementation of GWSP is dependent on contextual factors that may vary greatly between countries and over time. Country conditions and capacity, political and social instability, and political economy considerations may prevent or delay adoption of optimal solutions. The practical challenges and the scale of reform needed may exceed the technical and financial resources available.	Likely	Major	When the Water GP or the GWSP determines to go forward with the preparation of a new analytical activity or a lending operation, assessments of risk are made and mitigation measures include adjusting the scope or design, developing an action plan with specific mitigation measures, and determining the level of implementation support for the intervention based on its risk profile.	Significant	The type and severity of risk is highly variable, depending on country context. Progress may be partial but complete failure is unlikely

Risks from natural disasters or socio-economic shocks, such as the COVID-19 pandemic and climate change.	Likely	Major	These are addressed by flexibility, adaptability, and technical knowledge, that allow implementers to quickly pivot to respond to arising shocks; as well as the increased focus on Water, Economy, and Climate that will help mitigate risks related to climate change.	Minor	Flexibility and long-term engagement with country governments allows the program to transfer resources and absorb delays without significant loss of resources.
At country level there is a high/medium risk that misalignment between client and donor/WB strategies could affect program support and an associated concern that lack of commitment and ownership by clients leads to a failure to implement policy advice.	Likely	Major	This will be addressed by an emphasis on building institutional capacity among government counterparts to mitigate risks related to political leadership and political will for progress in water and sanitation among partner country governments	Minor	Long-term engagement with country governments to enable continued dialogue during periods of wavering commitment/leadership.
<b>Institutional risks</b>					
The program could fail to deliver its outcomes, which will reflect negatively on Denmark.	Unlikely	Minor	Denmark will participate actively in program supervision especially risk management.	Insignificant	The programme takes place across a diverse range of countries and is likely to be successful in at least some of these. The intentions are worthy and the transfer of money to victims of disaster has little potential for unintended negative effects.
Partners could engage in fraud, corruption or human rights violations under activities funded or facilitated by the programme.	Likely	Significant	Denmark will participate actively in program supervision especially risk management.	Minor	The programme includes measures to mitigate these risks, however, there remains at least some potential for corruption.

### Annex 5: Budget Details

A detailed budget will only be developed as part of annual planning process in GWSP and therefore cannot be presented as part of this project document.

## Annex 6: Supplementary documentation

- EXTERNAL EVALUATION OF THE GLOBAL WATER SECURITY & SANITATION PARTNERSHIP (GWSP) – Universalia, August 2021
- Charter of the Global Water Security and Sanitation Partnership Council Adopted March 16, 2017
- Global Water Security and Sanitation Partnership (GWSP); Annual report 2021
- Global Water Security and Sanitation Partnership (GWSP); Strategy Update; WATER GLOBAL PRACTICE, January 2022
- Minutes of meeting – Global Water Security and Sanitation Partnership Council Meeting, Virtual Conference, December 6 and December 8, 2022
- List of GWSP Active Grants (including new FY23 activities pending establishment) (USD, as of November 15, 2022)
- Positioning GWSP for the future (Power Point presentation) -- GWSP Consultation January 11 and 12, 2023

## Annex 7: Plan for Communication of Results

What? (the message)	When? (the timing)	How? (the mechanism)	Audience(s)	Responsible
Findings and lessons learned; sharing of best practices, cross fertilization of ideas	Whenever an opportunity arises through special, targeted initiatives and events at international level, e.g. The International Water Week, during meetings with the Danish Resource based and as part of GWSP annual report	The GWSP website, Water GP webpage, in WB and international publications, international events and on in-country partner web pages	A wide audience from water practitioners to development partners; utility companies, international and national investors and the general public, academia, private sector enterprises	GWSP and GWSP in-country partners
Success stories emerging from GWSP of interest for Denmark	Whenever an opportunity arises and through participation in international events and relevant events in GWSP countries with Danish representation	In publications and web-based communications and through bi-annual meetings with the Danish resource base	To other development partners; Danish utility companies and the Danish resource based, international and national investors and the general public, academia, private sector enterprises	GDK/MFA and relevant Embassies
Development of key strategic messages to promote Denmark's support to GWSP	At approval of continued support to GWSP and at the disbursement of the first and second tranche of funds to GWSP	Danish MFA communication web-pages and at relevant Danish embassy web-pages where Denmark have strategic sector cooperation in water and urban development	Danish tax payers; other development partners and cooperation partners and decision makers in target countries.	GDK/MFA and the Danish embassies with SSC in water.

## Annex 8: Process Action Plan

### Formulation and approval of Denmark's support to GWSP

Action/product	Deadlines	Responsible/involved units	Comment/status
<b>Formulation, quality assurance and approval</b>			
Submit draft project document to the internal Danida program committee	February 20, 2023	GDK	
Public consultation prior to program committee meeting	February 20 – March 6, 2023	GDK	In parallel the PD will be consulted with GWSP management
Program Committee meeting	March 14, 2023	Program Committee/GDK	
Responding to comments from Program Committee Meeting	March 24, 2023	GDK	
Project Document ready for appraisal	March 24, 2023	GDK	
Appraisal recommendations ready	May 8; 2023	Appraisal consultant	
Incorporating relevant recommendations from appraisal	May 11, 2023	Consultant	
Submission of Project Document to Council for Development Policy	May 11, 2023	GDK	
Meeting in the Council for Development Policy	June 1, 2023	UPR/GDK	
Approval by Minister for Development Cooperation and International Climate Action	Early June, 2023	Minister/GDK	
Signing of Finance Agreement between WB and MFA	Mid June, 2023	GWSP/GDK	
Transfer of first tranche of funds to GWSP	End June, 2023	GDK	



Annex 9: Signed table of appraisal recommendations

The appraisal will be finalised in May 2023.