

Scope of Work for Short-Term Technical Assistance (STTA) Consultant for Revision of the Manual for the Implementation of Management Modalities for Small Water Supply Systems

Project Name:	USAID Transform WASH Activity
Task Order No.:	TBD
Consultant Name:	TBD
Consultant Title:	WASH Governance Specialist

I. Background

Within the framework of rural water supply, the Government of the Republic Mozambique (GRM) is implementing the second phase of the *Programa Nacional de Água e Saneamento Rural* (National Rural Water Supply and Sanitation Program [PRONASAR-2019-2030]). PRONASAR is a vehicle for the implementation of the GRM strategy, which seeks to accelerate the provision of improved water and sanitation services in rural settlements where the majority of the Mozambican population live (65.34% as of 2023, according to the 2017 census, conducted by the *Instituto Nacional de Estatística* (national statistics institute [INE]) to achieve the objective of the GRM Five-Year Program and the Sustainable Development Goals.

Regarding the water supply component, PRONASAR aims to: (i) increase the service coverage through a range of technological options, including piped water, according to the underlying conditions on the ground such as, settlement density and availability of water resources; (ii) improve planning and monitoring by strengthening the technical information and service management system; (iii) improve intersectoral coordination and participatory planning; (iv) explore different management options; (v) strengthen the role of local governments through technical training and competitive and equitable allocation of financial resources; and (vi) promote the regulation of the water supply service in the PRONASAR covered areas.

PRONASAR is implemented as a “sector-wide approach (SWAP)” mechanism. In this context, the main guidelines of the program are government leadership, intersectoral coordination, decentralization, private sector involvement, and innovation, knowledge management, and replication.

The water supply subsector evolution has been marked by reforms that have been implemented since the early 1990s, which led to the creation of the *Quadro de Gestão Delegada* (delegated management framework [QGD]) through Decree n.º72/98 of 23 December, focusing on urban water supply. Within the scope of rural water supply, several guiding instruments were developed, including the *Manual de Implementação de Modalidades de Gestão de Pequenos Sistemas de Abastecimento de Água* (Manual for the Implementation of Management Modalities for Small Water Supply Systems), through Ministerial Diploma No. 5/2006, of January 17. This instrument establishes guidelines for autonomous management of piped water systems in rural areas (through private and public autonomous operators) and defines their functional management system, encouraging autonomous management as a strategy for promoting the sustainability of piped water supply service.

To respond to the increasing number of high density rural settlements GRM started in 2010 to increase the adoption of piped water systems technology in rural areas to complement the existing strategy of providing service through point water sources. According to the *inquéritos ao orçamento familiar*

(household budget surveys [IOF]) conducted by INE, there has been an increased coverage of people with piped water solution in Mozambique rural areas with 17.2% in 2019 (IOF2019/2020), against 12.1% in 2014 (IOF2014/2015). The GRM strategy for management of these service are guided through the provisions of the Diploma No. 5/2006, which entail the delivery of piped water systems with full government subsidy for capital investment and engagement of autonomous operators (public, private, and community) through lease contracts.

The increased number of piped water systems in rural area has come with some challenges, including related to the financial sustainability of the service to the respective operators, required to keep the business and water supply service running. Often operators cease operation of the leased piped water systems after a short period of time, leaving consumers without service and non-operational infrastructure. Recognising this challenge, the *Direcção Nacional de Água e Saneamento* (National Directorate of Water Supply and Sanitation [DNAAS]) organized in April 2022, a national workshop to discuss with development partners the issue of sustainability of piped water service in rural areas and potential solutions. Critical aspects identified in the workshop as needing special attention included: (i) capacity building of local authorities to play their role in contracting and managing operator contracts, performance monitoring of the service as lessees; (ii) operators' capacity building to improve piped water systems management and service quality; (iii) service regulation; and (iv) participation and accountability among all piped water supply service stakeholders.

To address the above-mentioned sustainability challenges, a coordinated effort which involves the government, operators, development partners, and the beneficiary communities supported by a strong and updated enabling environment is required, When the main guiding instrument, the Diploma No. 5/2006, was approved the definition of rural piped water system was different (most of the rural piped water systems considered in 2006 are now under the authority of *Administração de Infraestruturas de Água e Saneamento* (Water Infrastructure and Sanitation Administration [AIAS])). Rural piped water systems were not covered by the regulation when the diploma was issued. The sector regulator mandate was expanded to rural areas in 2019 through the Decree 8/2019, dated on February 18. Prior to that different players were in place in 2006. When Diploma No. 5/2006 was approved it assumed that operator contracting powers were located at the central level, which became impractical with the increased number of piped systems and the decentralization dynamics. Within this context DNAAS is considering the review and updating of this legal instrument to reflect the current dynamics.

In this context, Transform WASH activity will support DNAAS, through the *Departamento de Estudos e Projectos* (Department of Studies and Projects [DEP]) and the *Departamento de Abastecimento de Água* (Department of Water Supply [DAA]) in the revision of the Manual for the Implementation of Management Modalities for Small Water Supply Systems to adapt it to the current dynamics of rural piped water supply systems.

2. General objective

The overall objective of the assignment is to facilitate a detailed review of the Manual for the Implementation of Management Modalities for Small Water Supply Systems and its annexes, including the scope of its application within the context of the ongoing decentralization process.

The specific objectives of the assignment are as follows:

- Facilitate a detailed review of the current piped water supply context in Mozambique, existing regulations, strategic plans, and other documents, relevant to the review of the Diploma Ministerial No.5/2006, dated on January 17.
- Conduct extensive consultations with stakeholders directly and indirectly involved in piped water supply in rural areas, including through workshops to collect data on experiences, challenges, successes, and lessons on implementation of piped water supply projects and autonomous operator engagement and management, relevant to the review of the Ministerial No.5/2006.
- Review the decentralization legal framework and analyze specific trends relevant to the PRONASAR piped water service to clarify and propose, where necessary, the roles and responsibilities of the key players from central, provincial, and district levels.
- Develop a proposal for a gradual expansion of the regulation to the PRONASAR piped water service.
- Review and develop a proposal of roles and responsibilities of each key player from central, provincial and district level for the whole piped water supply service in rural areas planning, infrastructure development, operator engagement and performance monitoring, and regulation, considering the currently ongoing decentralization process and expected future trends.
- Develop and propose an accountability mechanism aimed at improving quality, efficiency, and sustainability of the piped water service in rural areas according to the roles and responsibilities of each stakeholder at all levels, from infrastructure development planning to the service management chain.
- Develop a proposal of the applicable regulation rules, tools, and implementation arrangements for piped water service in rural areas.
- Develop a proposal of contractual documents for engagement of operators in piped water service in rural areas through lease contracts that promote service quality, efficiency, sustainability, and private sector investment.
- Revise the existing rural growth center piped systems management framework document and the corresponding diploma in coordination with MOPHRH/DNAAS legal advisor.

3. Statement of Work

In light of DNAAS's mandate and competencies, the activities to be carried out will be led by the DEP and DAA with support from the United States Agency for International Development (USAID) Transform WASH activity and participation of key PRONASAR stakeholders intervening in piped water systems, namely, *Autoridade Reguladora de Águas* (Water Regulatory Authority [AURA]), *Direcções Provinciais de Obras Públicas* (Provincial Directorates of Public Works [DPOPs]), *Serviços Distritais de Planeamento e Infraestruturas* (District Planning and Infrastructures Services [SDPI]), USAID, United Nations Children's Fund (UNICEF), *Stichting Nederlandse Vrijwilligers* (Foundation of Netherlands Volunteers, Netherlands Development Organization [SNV]), Foreign, Commonwealth and Development Office (FCDO), WaterAid, Belgian Development Agency (ENABEL), World Bank, Swiss Development Cooperation (SDC), World Vision, Helvetas, Austrian Development Agency (ADA), USAID Local Governance Strengthening project (LOGOS) and others, include the *Administração de Infraestruturas de*

Água e Saneamento (Administration of Water and Sanitation Infrastructures (AIAS-IP) will also be involved in this process, considering that some water supply systems in the district towns under AIAS mandate are still managed by the DPOP. The PRONASAR technical assistance team and DNAAS legal team will be involved whenever necessary.

The services required are anticipated to include the following:

Task I – Assignment kickoff and inception report (Week 1 and 4)

- Prepare a kickoff meeting designed to ensure the STTA's understanding of the scope of work, alignment of expectations with the client (Transform WASH activity) and hold this meeting with the Transform WASH team and USAID. A PowerPoint (PPT) presentation shall be prepared in advance which provides the proposed approach to complete the analysis and development of the assignment products within the proposed timeframe and with satisfactory quality to the client. The proposed approach shall include, but is not limited to: sample tools, matrices, criteria, among others, that will guide its work under the different tasks.
- The STTA is expected to develop in advance a list of assumptions to be validated during this meeting. Allocate time within the agenda for contract management concerns including communications protocols, required authorizations, USAID branding requirements, and other items (points to be covered by Transform WASH activity team).
- Draft the ten-page maximum inception report with updated methodology, work plan, assignment focal points, agreed communication protocols, required authorizations, and strategy to deliver the assignment, including all tasks and consultations expected to be carried out. The inception report will be subject to review and approval by the client, Transform WASH activity.
- Draft two-page minutes of the internal kickoff meeting highlighting recommendations and guidance provided by the client and agreed actions.
- Draft in advance a PPT presentation to be used for the external kickoff meeting (or an updated version of the PPT used for the internal kickoff meeting). The review, comments, suggestions, and recommendations from the internal kickoff meeting will inform the finalization of the PPT for external kickoff meeting.
- Hold the external kickoff meeting with Transform WASH activity staff, DNAAS, and USAID. The STTA shall collect comments and recommendations from this meeting to inform the finalization of the proposed methodology and work schedule. This meeting is also aimed at identifying assignment focal points at DNAAS and other relevant government counterpart institutions at all levels. The STTA shall consider that an additional external kickoff meeting might be required with provincial level institutions relevant to PRONASAR piped water systems. In that case this meeting will be held using an online platform (MS Teams).
- Draft two to three-page minutes of the external kickoff meeting highlighting recommendations and guidance provided by the client and DNAAS and agreed actions.
- Draft the ten-page maximum final inception report.

Deliverables: (i) internal kickoff meeting PPT; (ii) internal kickoff meeting minutes; (iii) external kickoff meeting PPT; (iv) external kickoff minutes of meeting; and (v) inception report.

Task 2 – Desk review and consultation sessions

After approval of Task 1 deliverables, specifically the inception report with revised methodology and workplan, the STTA is required to conduct a detailed desk review of the of relevant sector legislation, strategic plans, and reports relevant to the delivery and management the piped water schemes in rural areas. The STTA shall consider both already approved instruments and, where possible, instruments under preparation with potential impact on the context of the subject matter, to evaluate potential future trends. The desk review will be complemented by stakeholder consultations. Under this task, the STTA is expected to undertake the following subtasks:

- Conduct a detailed review of the key provisions of the relevant sector legislation, strategic plans, and other documents that can provide a clear context on the environment in which piped water systems are delivered and managed in rural areas in Mozambique (PRONASAR). During the review, the STTA shall identify changes that may have occurred since the approval of the Ministerial Diploma No.5/2006, which are relevant to its update.
- Conduct a detailed review of the current sector institutional framework relevant for piped water in rural areas, identifying key institutions and actors from central, provincial, and district level roles and responsibilities.
- Conduct virtual discussions if possible with key PRONASAR stakeholders, namely development partners active in the water sector; private sector actors including current PRONASAR piped water systems operators; AIAS piped water systems operators; *fornecedores privado de água* (private water providers [FPAs]); potential investors and developers; and the financial sector, including local commercial banks and potential investors to understand their concerns regarding legal and financial implications of financing PRONASAR piped water systems.
- Organize a half-day workshop to present and discuss the main findings with key water sector stakeholders and gather comments and recommendations to inform the development of the first draft of the updated document.

Deliverables: (i) Summary findings report; (ii) PPT of the summary report and (iii) minutes of the workshop; and (iv) final findings report.

Task 3 – Development of the document for management of rural growth centers piped water systems

Under this task, the STTA is expected to:

- Develop the first draft of the revised piped water system management framework document which includes: (i) updated categorization of rural water supply systems according to their size; (ii) updated lease contractual documents (contract duration, allocation of risks between the contacting agency and the operators, private sector investment); (iii) proposed performance indicators for service quality and for operators; (iv) recommended type of operators to be considered for PRONASAR piped systems; and (v) recommendations of the minimum technical and financial requirements for contracting operators according to the systems categories.
- Organize a workshop with the key sector stakeholders listed above, for the presentation and initial discussion of the draft proposal for the new rural growth centers piped water systems management

framework document and the respective proposal do the diploma to be approved by the sector minister.

- Draft the final report which incorporates comments and recommendations from the stakeholder workshop, including the respective revised diploma proposal.

Deliverables: (i) Draft updated rural growth center piped systems management framework document; (ii) draft diploma; (iii) PPT of the framework and (iv) minutes of the workshop; (v) final rural growth center piped systems management framework document; and (vi) draft final diploma.

Task 4 – DNAAS support in finalizing the diploma

Under this task, the STTA is expected to provide legal technical assistance to DNAAS in finalization of the document and diploma, which will undergo multiple review stages within the GRM approval process towards its publication on the national gazette.

4. Deliverables and Due Dates

Deliverable No.	Description	Deadline	LOE Allocation (days)
Task 1 – Internal and external kick off			
Deliverable 1	PPT for the internal kickoff meeting	2 weeks from assignment commencement	0.2
	Facilitator in the internal kickoff meeting and minutes of meeting	3 weeks from assignment commencement	0.5
	Draft inception report	2 weeks from assignment commencement	3.0
	PPT for the external kickoff meeting	3 weeks from assignment commencement	0.1
	Facilitator in the external meeting and approved meeting minutes	4 weeks from assignment commencement	0.4
	Final inception report	5 weeks from the assignment commencement	1
Sub-total LOE deliverable 1		5 weeks from the assignment commencement	5.20
Task 2 – Desk review and consultation session			
Deliverable 2	Findings draft report	10 weeks from the assignment commencement	5.0
	PPT summarizing the draft findings report	12 weeks from the assignment commencement	0.5
	Participation in the finding workshop and workshop minutes	13 weeks from the assignment commencement	2
	Final findings report	14 weeks from the assignment commencement	1
Sub-total LOE deliverable 2		14 weeks from the assignment commencement	8.50

Deliverable No.	Description	Deadline	LOE Allocation (days)
Task 3 – Development of the document for management of rural growth centers piped water systems			
Deliverable 3	Draft updated rural growth center piped systems management framework document	22 weeks from assignment commencement	10
Deliverable 4	Draft diploma	22 weeks from assignment commencement	5
Deliverable 5	PPT of the framework	22 from assignment commencement	0.5
	Participation in the draft framework workshop and minutes of the workshop	25 from assignment commencement	6
	Final rural growth center piped systems management framework document	27 from assignment commencement	1
	Final diploma approved by Transform WASH	27 from assignment commencement	1
Sub-total LOE deliverable 5		27 from assignment commencement	8.50
Task 4 – DNAAS support in finalizing the Diploma			
NA	Supporting DNAAS – submission of the revised decree for approval by the Council of Ministers and publication in the “ <i>Boletim da República</i> .”	to be determined	5
TOTAL		Approx. 29 Weeks	42.20

All final deliverable versions must be submitted electronically in English and Portuguese.

5. Payments

All payments will be made after approval of deliverables by the Transform WASH deputy COP.

6. Consultant Qualifications

- A governance specialist with a Masters or Law Degree in a relevant field and seven years of relevant work experience or a minimum of ten years of experience working in water sector governance in Mozambique or other relevant field.
- Specialization in contract law or contract-related courses are advantages.
- At least 7 years of practical experience in legal advisory services in policy development in the water sector in Mozambique.

For the purposes of knowledge transfer, it is proposed that the consultant will work closely with DNAAS dedicated technicians in the assignment development.

Note: Workshop costs are covered by the client, but the STTA will cover any planned trip costs.

7. Schedule

The assignment will be undertaken between January 14, 2024 and August 3, 2024.

8. Coordination

The WASH Governance Specialist will report to the Transform WASH deputy COP, who will coordinate the delivery of this SOW and approve defined deliverables prior to full payment.

9. Application

Applications must be sent via email: transformwash.recruitment@tetrattech.com with a cover letter and curriculum vitae (CV) updated in reverse chronological order in Portuguese and English. Please refer the title of the consultancy in the subject line of the email as indicated below:

“TRANSFORM WASH_ REVIEW OF MINISTERIAL DIPLOMA 5/2006, JANUARY 17.

Only shortlisted candidates will be contacted for an interview. Phone calls regarding this consultancy will not be accepted. The deadline for submitting applications is **December 15, 2023**, until **5:00 pm**.