



Applying SROI

Shinyanga Rural Water Supply and Sanitation Programme (SRWSSP) Tanzania, 2009

SROI is an intriguing, effective and efficient, participatory methodology to reveal the social, economic and environmental impact of an investment in a quantified and monetised way.

In order to demonstrate the added value of the SROI methodology in international cooperation, CDP chose to apply it on a programme that was known to the researchers and had recently been evaluated in the conventional way. SRWSSP was an obvious choice. The programme was terminated and thoroughly evaluated by the Policy and Operations Evaluation Department (IOB) of the Netherlands Ministry of Foreign Affairs. Applying SROI in this case could demonstrate its added value.

1. The project

The Netherlands support to the SRWSSP dates back to the late 1980s. Since 1990 a total of Euro 20 million was invested and about 3500 water schemes were installed, serving some 1.1 million direct beneficiaries. The applied methodology changed over the years from top down to participatory. At the same time the technical solutions were fine-tuned and local consultants replaced the international teams from the early beginnings.

The Netherlands intervention ended in 2006, upon which an in-depth evaluation of the impact of the assistance was undertaken by IOB.

2. Planning of SROI analysis

In contrast with the IOB evaluation – which had been a large exercise that covered all water schemes and went into details regarding the achievements of the programme - SROI was undertaken in three weeks (by two local and two international consultants) and concentrated only on the changes that stakeholders had experienced.

Because this limited time span did not allow for visiting all the individual water schemes, a selection was made using the following criteria:

- schemes with large and small numbers of users;
- schemes in different administrative areas;
- successful schemes and failures.

As it is essential under the SROI methodology to meet with stakeholders, a schedule was set up to meet with two user groups per day and where possible meet with other stakeholders, like water authorities, district authorities, contractors, development partners and private water sellers. Meetings with the stakeholders clarified the changes they experienced as a result of the water schemes.



3. Summary results of IOB evaluation

To understand the added value of the SROI exercise its results were compared with those of the IOB evaluation, which gave the following main results:

Time use for fetching water:

- large majority of Water User Groups (WUGs) reports reduction in time used for water fetching;
- average time per trip is 27 minutes, compared to 66 minutes before well construction and 48 minutes for communities without a WUG;
- saved time is used for house work, fetching firewood, field work, going to school;
- main beneficiaries: women and girls.

Improved health:

Survey results suggest that the shift to an improved water source has led to improvement in health. Statistical analysis finds significant impact for a number of waterborne diseases.

4. Summary results of SROI

Time use for fetching water:

Because women spend less time to fetch water, men are not anxious about their whereabouts and there is more harmony in the family. As a result men and women can work together in agriculture, which in turn brings higher crop yields, so more money for the household. Both men and women indicated the importance of this increase in harmony in the family. Girls can be sent to school again.

Improved health:

Improved health has three components (according to the beneficiaries):

- less worries, so more harmony in the family, so better use of the family (labour) resources;
- less expenditure on doctor bills and medicines;
- less time spent on doctor visits.

Time savings were used like above for productive activities. Savings on expenditure were estimated by each group. Discussion with other stakeholders (district medical officers and district agricultural officers) did not reveal any specific savings in time and money but confirmed the productivity and health gains as indicated by the water users.



5. SROI calculations

On top of qualitative information, SROI stimulates the quantification of socio-economic effects, hereby permitting a comparison with made investments.

The water user groups provided data on increase in income, saving on medical expenditure (impact) but also on their contribution to the water scheme (input). These data were used for the SROI calculations with the following results:

- an increase of TZS 351,000 (2007)/household. With an average household size of 8 persons we arrive at a per capita gain of TZS 43,000 per year;
- a return on investment of 1 to 5.2, meaning that a water scheme is very profitable;
- experience shows that when a ready market (town) is close by, revenues are highest.

6. Conclusions

The results of the SROI-based study of SRWSSP correspond fully with the elaborate IOB evaluation of the same.

However: the SROI study, by focusing strongly on the programme beneficiaries, was able to reveal additional insight on the exact impact of the programme within a short period of only three weeks.

This additional information, gathered through SROI methodology, shows that:

- in the perspective of the water user groups a most important impact is harmony in the family allowing that the time gained can be used productively;
- investments in drinking water projects can be viewed as productive investments as they create the production factor time;
- in future, the design of water programmes could take this into account when discussing issues like group contribution and maintenance of the water schemes.