

Those who invest in small reservoir projects or initiatives and wish to challenge or alter what they see as 'undesirable practices' need to start by recognizing their underlying complexity.

The context

What some people call 'corrupt' practices are most of the time and in many places standard practices that make it possible for people to complete projects, however far they may fall short of the desired specifications. Rehabilitation and construction of small reservoirs¹ in sub-Saharan Africa (SSA) is characterized by such 'anomalous' practices and structural impediments related to tendering, supervision and administration of contracts. Donors, line ministries, local authorities, contractors and communities all face difficulties that result in spiraling costs, delays in implementation, poor construction and the failure of small reservoirs to perform as planned.

Wherever anomalous practices and structural impediments are found, the actors involved generally rely on each other as they operate within the same political economy. A broad understanding of the 'dynamics of irregular transactions' is timely, given the renewed interest in small reservoirs as an agricultural water management intervention from the international community and national governments.

Haste makes waste

Emergency situations, such as the destruction of scores of dams in the north of Ghana during the 2007 rainy season, can lead to rapid assessments and appraisals that become the basis for rehabilitation programs. Line ministries seldom have the personnel, the data or the funds needed to carry out all but the most cursory assessments. Pressure from donors eager to disburse funds only adds to the sense of urgency that characterizes emergency situations. In these circumstances, contractors often cite the need to raise 'variation orders' as unexpected work is frequently required. In many cases, these may be warranted, but the situation breeds opportunities for collusion between officials and contractors in the field leading to sometimes excessive cost overruns.

Social networks

Political patronage is part of the social fabric, even in developed countries. The awarding of contracts is largely perceived and accepted as a political action rather than a bureaucratic one. Contracts can easily be awarded to 'preferred' contractors on any number of outwardly justifiable grounds. Often, but not necessarily always, unqualified or unsuitable contractors are selected.

UNEVEN RELATIONSHIPS IN SMALL RESERVOIR PROJECTS IN SUB-SAHARAN AFRICA

Based on a report by Jean-Philippe Venot



In sub-Saharan Africa, a small reservoir benefits about 2,500 people who use it for multiple purposes

A case study in one West African country revealed that offering bribes in return for government contracts occurred in up to 40% of all contracts, with the average value of a bribe being in the range of 8% of the transaction. However, the difference between a gift and a token of appreciation or a bribe may be construed differently in different cultural contexts. In many SSA countries, 'gifting' is considered the norm.

It looks good on paper

A common legacy of numerous World Bank and 'big money' donor programs is policy and procedure statements on procurement processes and public fund management that look good on paper. It is not uncommon for such procedures to stipulate that contractors must submit a capacity certificate, bid security, tax security, proof of ownership or access to adequate machinery, and describe their workload

and past records to qualify. Few government and donor agencies have the resources needed to enforce full compliance. Some would argue that it is the degree of willingness that determines the level of resources, but enforcing rules is made doubly difficult in a system where most of the actors know and interact with each other in multiple ways. Most civil engineers have, for example, been trained in the same university departments and often wear multiple hats (contractor, consultant, public servant). It is not uncommon to find contractors hiring former or current government employees as advisors, designers or quantity surveyors to increase their chances of winning a contract or to circumvent policies and procedures.

Cash flow woes

Delays in payments are a major threat to the cost and sustainability of rehabilitation and construction works, particularly when small contractors are involved and high inflation is the norm. Unrealistic time demands, procedural complexity and lack of transparency are frequent complaints on the part of contractors who feel they have no choice but to offer 'speed money' to facilitate processes. This adds to the transaction costs of contractors, which offers incentives to recoup these costs by compromising the quality of work.

Is anyone looking?

Rehabilitation and construction work on small reservoirs requires significant supervision and monitoring capacity on the part of responsible government agencies or, in some cases, donor agencies acting as project managers. A typical set up is to mandate site supervisors in local offices to conduct on-site monitoring and supervision visits. In reality, few of these offices are properly equipped or staffed to carry out their supervisory roles. Supervisors must, as a necessity, rely on contractors to conduct their work. This is an invitation to 'leniency', but seen as 'reciprocity' not lack of integrity. Low salaries, lack of experience and high staff turnover pose

additional challenges to monitoring and supervision. Conscientious supervisors can easily find themselves transferred at the behest of well-connected contractors.

Conspiracy theories

It is not unknown for central government authorities to commission investigations or boards of enquiry into irregular practices. The typical response is to claim that such investigations are politically motivated. Civil servants

consider them "as routine and generally grounded in fraud allegations from jealous contractors who feel they have been side-lined by civil servants on political grounds when the other party was in power." Should that claim not stick, the scope of the investigation can be questioned or the integrity of the investigators challenged. Largely for these reasons, studies have shown that top-down anti-corruption measures tend to be largely ineffective and do little more than create a new layer of officials without modifying the incentive structure.

Enhancing the trajectory of good practice

'Breaches of integrity' are a reality of small reservoir projects in many countries. These breaches are not an essential characteristic of a particular government or its development partners, but are sustained through their interdependency with broader social and cultural dynamics, structural challenges to the workings of the state and the broader political economy of development. Those who invest in small reservoir projects or initiatives and wish to challenge or alter anomalous practices need to start by recognizing their underlying complexity.

A good starting point is to map the 'exchange relationships' that prevail in a particular situation to gain some understanding of the incentives of the various actors, the potential conflicts of interests and the hot spots that are most vulnerable to capture. This may help to identify possible ways of enhancing the planning and implementation process of small reservoirs.



Creating accountability can make a difference

¹In most of sub-Saharan Africa 'small reservoirs' are earthen or cement dams that are less than 7.5 meters high. They can store up to 1 million cubic meters of water and sometimes have a downstream adjacent irrigation area of less than 50 hectares. Capital investment is generally externally driven and community management remains the norm.

These findings and recommendations are preliminary and are reproduced here for the purposes of discussion. The AgWater Solutions Project welcomes all comments and suggestions. These should be directed to AWMSolutions@cgiar.org, please write "Small Reservoirs" in the subject line.