

## Triggering change in water policies

Advancing water security to reduce poverty and environmental degradation. Ensuring that water is a key part of national development amid growing competition for water. Addressing critical development challenges to water security such as climate change. These goals lie at the heart of the vision and mission of GWP and its partners. But achieving any of these goals will require changes in water policies and institutions.

Change is a political process and therefore a negotiated one. It is informed by a host of factors—history, public perception, development challenges, and social and economic context. There are no universally applicable solutions. Nevertheless, analysis from experiences of change does reveal common elements among the successes and among the failures. This brief is intended to provide practical guidance to those involved in the critical process of social change and learning.

### **In order to initiate and sustain policy and institutional change you need:**

1. A sound rationale backed by evidence-based information: What needs to be changed and why, endorsed at the highest political level, and an understanding of the drivers for change.
2. A strategy for change: A clearly defined approach for promoting change, based on knowledge of the political system and the need to build coalitions and counter entrenched interests. This strategy must address three other important success factors:
  - a conducive environment for change,
  - the demand for change, and
  - a sustained focus on implementation and impact.

A smart strategy for change reduces transaction costs, counters political opposition, and exploits synergies both within and outside water institutions.

### Box 1: Key questions to ask when crafting a strategy for change

- What is the desired change and why is it needed?
- What will be the benefits of change, and how will these benefits be distributed?
- What will be the costs, and who will bear them?
- Which groups or actors are likely to oppose the change? Who has a vested interest in maintaining the status quo?
- Which actors (or coalitions of actors) will push forward and implement the change?
- What can realistically be done to address constraining conditions and create an enabling environment for institutional transformation?
- How can knowledge producers and processors—academics, consultants, and practitioners—play a more effective role in supporting change processes?
- How can lessons learned during the course of implementing the strategy feed back into and be used to guide the process?

Source: Adapted from Merrey, Douglas J et al. 'Policy and institutional reform: The art of the possible.' In *Water for Food, Water for Life: A Comprehensive Assessment of Water Management in Agriculture*, edited by David Molden. London: Earthscan and Colombo: International Water Management Institute, 2007.

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## Stages of change

Change rarely happens in a linear, predictable fashion. That said, it can be useful to think of the process in terms of stages—with the understanding that some stages happen simultaneously, some may be skipped, and some may need to be repeated. Also, changes can have a domino effect—with changes from one stage serving as triggers for change in subsequent stages.

Analysis of successful change processes suggests the following basic stages:

### Stage 1:

Laying the groundwork for change—gathering evidence and developing a shared diagnosis about problems and possible solutions.

### Stage 2:

Capitalizing on a conducive environment for change (e.g., a favourable political situation or a crisis that alerts people to the need for change).

### Stage 3:

Creating a growing demand for change (converging public opinion that change is needed).

### Stage 4:

Negotiating the actual change package—formulating new policy, agreeing on reforms (builds on Stage 1).

### Stage 5:

Ensuring implementation and impact—follow-up and monitoring.

Many water professionals focus on Stages 1 and 4—formulating the new policy—without considering the other stages necessary to make change happen. Key steps are often ignored as too slow or difficult or unnecessary, especially when a narrowly technocratic or project approach is misused in a social change process.

In addition, ‘reform’ in the sense of changing institutional mandates, policies and legislation is not always what is needed. In some cases, the focus needs to be on implementation of policies or strategies already agreed upon and removing obstacles that prevent organizations from realizing their mandate, legislation from being enacted, or policies from being put into practice. In some case the issue may be promoting a larger understanding of the benefits of change, including the positive impacts people can see in their daily lives.

## Box 2: Key ingredients for successfully initiating change

- A clear message around which people can unite – in most cases the message needs to appeal to a broad audience, not just water professionals, and address an issue of immediate concern. In other cases, it may be directed at a specific group with the power to make change happen.
- Strong, credible data to support the need for change and its feasibility and benefits.
- Smart marketing – understanding the policy and implementation climate, including the importance of timing, who has influence, how to package your message to appeal to the interests of potential allies, and incentives for different actors to participate in change processes.
- Persistence – policy change is an on-going process and sustaining policy change requires continued engagement. Even when new policy is implemented, it is necessary to monitor outcomes and correct problems that arise due to poor implementation or unanticipated consequences.

## Laying the groundwork for change (Stage 1)

In situations where water is not yet recognized as an issue or where the political system is weak, i.e., there is not a conducive environment for change, Stage 1 is particularly important. Collecting evidence, creating awareness, and building consensus are long-term tasks and are the foundation of successful change. Without this groundwork, when the environment does become more favourable, it is difficult to act on the opportunity. NGOs and organizations such as the GWP have been very active in this stage of the change process.

Particularly if the goal is poverty reduction, this stage may also need to include efforts to empower people and local authorities to evaluate risks and opportunities, take action to address those they can (without waiting for national government), and to advocate for the support (resources, policy change, etc.) they need to address the others.

### Box 3: The importance of persistence

Since 1990, the Centre for Science and Environment (CSE) has promoted rainwater harvesting as a solution to India's frequent droughts. They published a book, a manual, newsletters. They developed a public awareness TV spot, led 'water pilgrimages,' established high-profile model rainwater harvesting projects. They set up networks, organized international conferences, offered advisory services. They addressed the Indian president, prime minister, members of the cabinet, state governors.

In 2002, after a particularly crippling four-year drought, the country was ready to change its water policy. The new legislation did not include rainwater harvesting. CSE, however, did not give up.

Today, in large part because of CSE's efforts over the past two decades, India has a National Rainfed Area Authority, a program to rehabilitate traditional water harvesting structures, and a drinking water program that includes consideration of recharge through water harvesting.

The lesson in this? It is possible to initiate and sustain water policy change. But it requires dedicated, long-term effort and sometimes waiting until the moment is right. This example also shows what a vital role non-governmental organizations can play in change processes.

There are potential pitfalls that should be guarded against. The most serious is the danger of triggering 'bad' policy change—policy change that does not accomplish its intended goal or that produces negative side-effects. For this reason, having a sound rationale and strategy backed by credible data is of paramount importance. Another pitfall that has hindered many change efforts is having your message hijacked or over-simplified or getting lost in no-win, emotionally charged debates.

For example, in Sri Lanka, the National Water Resources Policy, which was approved by the cabinet in 2000, was never implemented partially because it became linked to the contentious issue of privatization. Other factors that contributed included:

- the reform was perceived to be donor-driven (donors had made reform a condition of funding),
- it was largely designed by outside consultants, and
- it was not well understood by many government representatives or the larger public.

These are three common elements in many reforms that failed to deliver expected benefits.

## Creating or taking advantage of a conducive environment for change (Stage 2)

In successful policy change, it is possible to pinpoint underlying factors that create a conducive environment for change. These factors can originate from within the water sector but more often from outside. Rarely is one factor alone sufficient; in successful cases, most often it was the convergence of several factors that prepared the ground for change (see Table 1).

A 'trigger' can inject the activation energy into the policy change process needed to make the jump to the next stage or act as a catalyst, reducing the activation energy required by providing alternative ways around an obstacle.

Types of factors that can create a conducive environment for change include:

- Crisis situations, such as floods, droughts, and economic crises.
- Political regime change.
- Shifts in ideological conceptions or societal values.
- Sound evidence showing the need for change, for example, the report of the Intergovernmental Panel on Climate Change and the Comprehensive Assessment of Water Management in Agriculture.
- Pressure from influential groups, such as donors or interest groups.
- Water-related treaties or agreements, for example, international basin treaties, the MDGs and the IWRM and water efficiency target set at the 2002 World Summit.

Factors may also be internal or external to the country. Externally driven reforms are unlikely to have a lasting impact unless they are firmly grounded in the country's realities and are championed by strong domestic actors. For example, in Pakistan in the 1990s and Indonesia during the Suharto regime, irrigation reform made it onto the national agenda primarily because of pressure from international development funding agencies. In both countries, the reforms foundered because there was little domestic support.

In some cases the force of the status quo is so strong that significant policy change can occur only under extreme pressure in response to crises (e.g. high-profile deaths, environmental disaster, economic recession). The lesson for change advocates is to be ready to exploit crisis events and present a feasible plan of responsive action.

The major water policy changes in Chile, South Africa and the United Kingdom (privatization) were all made possible not by crisis events, but by power and ideological shifts in the political economy as a whole. However, even in these cases much groundwork had been done to allow the big policy change to occur when conditions were right. In the

**Table 1: Factors contributing to a conducive environment for change**

Particulars	Australia	Chile	Morocco	Namibia	South Africa	Sri Lanka
Water scarcity/conflicts	**	*	**	**	**	*
Financial crisis	*	**	**	***	*	***
Droughts/salinity	***	-	***	*	**	-
Macro economic reforms	***	**	***	-	-	***
Political reforms	-	***	-	***	***	*
Social issues	*	-	*	**	**	-
Donor pressures	-	*	**	*	-	***
Internal/external agreements	***			*	*	
Institutional synergy/pressures	**	***	*	*	*	*

The number of \*s signifies the relative importance of the factors in the context of each country. "-" means the aspect in question is "not applicable" or "not evaluated".

Source: Saleth, R. Maria and Ariel Dinar. 'Water institutional reforms: theory and practice.' *Water Policy* 7 (2005).

United Kingdom, privatization would not have been economically or politically feasible if a 40-year process of change had not taken place to remove common law water rights and local authority control over water services, and to restructure the whole water sector into ten Regional Water Authorities.

Too often poorer countries seeking support for change do not get long term commitment from government or donors, which expect a much quicker change process than is possible in the given environment. This places too much stress on the process, which invariably collapses (see GWP-TEC Background Paper 7).

## Generating demand for change (Stage 3)

The demand for change is the converging perception among stakeholders that change is needed. A conducive environment for change helps, but to really get the ball rolling may require conscious intervention—through advocacy, marketing, knowledge provision, and coalition building. Possible actors in generating demand for change: NGOs, interest groups, mass media, political parties, government technical agencies, professional and academic organizations.

### Advocacy

Advocacy comes in many different forms. There are short-term campaigns, but unless these are targeted at key change agents and timed to influence a specific piece of legislation or agenda, they generally have little lasting impact. Less glamorous, but more effective are sustained efforts over many years, even decades. Researchers and other professionals can play a key role here. The influence of climate scientists on the perception of and response to climate change is one example. The role of biologists in getting biodiversity onto the political agenda and into the public consciousness is another.

This kind of work focuses on challenging conventional wisdom, influencing the way problems are defined, and offering new models and frameworks for thinking about an issue. For example, the GWP, along with several other organizations, spent the last 10 years advocating integrated water resources management (IWRM). The growing acceptance of IWRM and the shift towards more integrated thinking about water suggest that this work is having an impact. But it is rarely possible to attribute change to any one person or institution—particularly when the change is in how people think about an issue or approach a problem.

### Coalition-building

When working to create the demand for change, you need to identify who stands to benefit from the proposed change, who has influence, and how to speak to their interests and concerns using their ‘language’. It is important to keep in mind that individuals and groups can simultaneously desire change for different reasons and with different objectives. Attempts to influence policy are likely to be more effective if coalitions (or networks) can be developed from a diversity of actors within the community; many of these will be operating outside the water box.

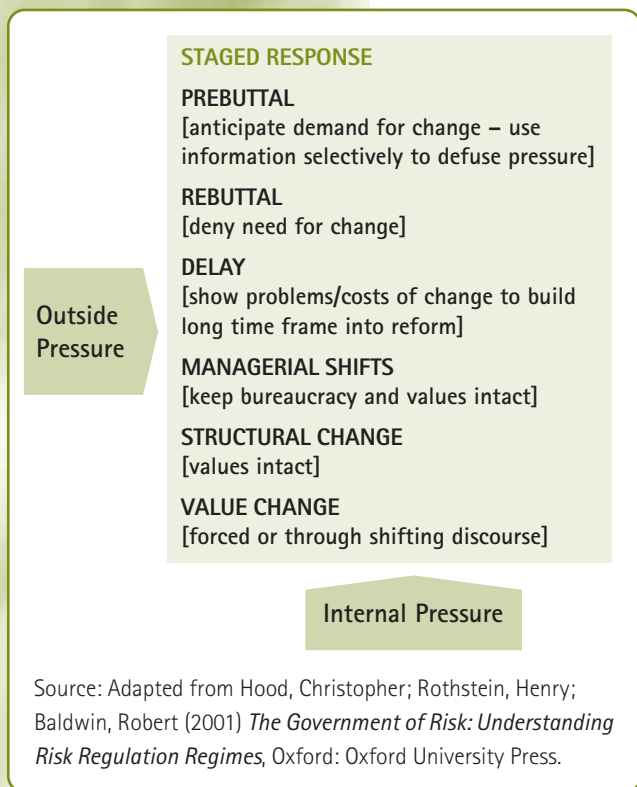
Such groups can also be linked to regional or international efforts—to build management capacity and favourable governance conditions. For example, Central America’s ‘grupo de países amigos,’ which helped countries bring peace to a region, or Africa’s New Partnership for Africa’s Development.

### Countering resistance

In addition to identifying and rallying those who stand to benefit from a particular change, it’s also important to identify those who stand to benefit from the status quo or who could be negatively impacted by the proposed change. A large part of making change happen is countering resistance. Successful water reforms have often coincided with political

“ Coalitions are more likely to have influence if they also include actors operating outside the traditional water box.

**Figure 1: Bureaucratic responses to change pressure**



change—political shifts dislodged entrenched interests that opposed change. A key lesson from cases of reform is that without buy-in from water users and government line agencies, results will be limited because it is relatively easy to block or appropriate the reform initiative.

Entrenched interests when confronted with the pressure to change typically go through several stages of response (see Figure 1). These responses require different types of counter measures. If possible, take a proactive approach—anticipate opposition and take steps to prevent or defuse it before it gains ground. Change will only be sustained when values shift not only within bureaucracies but also within societies and communities where entrenched mindsets can inhibit reform. Mechanisms that support continuous learning—for example, networks that can spread learning across wide groups of stakeholders—can contribute to such value shifts.

### Designing the content of change (Stage 4)

Agreement that change is needed does not necessarily mean agreement on the content of that change. Determining what will change and how involves political bargaining and stakeholder negotiation. Generally it reflects the prevailing power balance and bargaining strength of different interest groups. It requires accurate knowledge (data and research), communication, platforms for consultation, and mechanisms for conflict resolution.

Theoretically, design of the change package can come before demand for change if the change package has:

- a champion,
- a good strategy, and
- flexibility to encompass stakeholder input.

Often this means years of concerted effort and knowledge gathering and waiting until the timing is right for change to be pushed through. Committed stakeholders and technical teams are needed to follow up the process and support good reforms.

The following six points should be considered when crafting a change package.

**Timing:** Take crisis situations as an opportunity. Introduce reforms when political/economic climate is favourable, e.g., Chile increased water supply and sewerage charges during a period of economic growth.

**Prioritizing:** Focus first on urgent reforms with high potential for immediate impacts; this will garner support for the reform process and pave the way for additional reforms.

**Sequencing:** Take a step-by-step approach to change based on institutional linkages and availability of financial resources.

**Packaging:** Combine reform options favouring different groups or embed reforms within a larger investment program, for example linking price revisions with system improvements or incorporating water reforms into strategies for meeting the MDGs. South Africa's new water policy benefited from being part of a much larger country-wide reform process.

**Scale and degree:** Scale refers to the coverage of the desired change: Is it targeted at a specific region or the whole country? A single sector or multiple sectors? One particular law, policy, organization, or many? Because political transaction costs, generally speaking, remain more or less the same regardless of scale, the larger scale, the smaller the cost per benefit. Degree is the level of change required: Is it a small shift or a 180 degree turn?

**Resources:** The human and financial resources that need to be allocated for the process to take off. The costs are often small but do not get budgeted and so implementation stalls.

#### Box 4: Prioritizing and sequencing

What should you target first: change that the general public views as a priority or change that politicians, bureaucrats or 'experts' view as a priority? Analysis of successful cases suggests going with public opinion. However, there are dangers with this approach—particularly if the public is not well informed. The best course is to align the public's priorities with the experts through good communication and marketing.

The following types of reforms are listed in order of suggested sequencing based on their perceived priority, potential for impact, and feasibility:

- Urgent with potential for rapid returns – addresses current widely-recognized problems with benefits realizable in the short-term (although full benefits may take longer to manifest)
- Urgent with delayed impacts – addresses current problems but with benefits in the medium and long term
- Proactive – prevents predicted, rather than immediate, problems, e.g., licensing to prevent aquifer overexploitation
- Premature – not feasible because of inadequate capacity, financial resources, supporting institutional structures, e.g., transferring responsibilities to the local level without first building local capacity or without means of financing

### Ensuring implementation & impact (Stage 5)

To ensure the desired change is carried out requires a step-by-step plan with clear responsibilities and accountability and political and resource commitments from the top, continued pressure and participation from the bottom up, and appropriate incentives for change at all levels.

The perceptible flow of benefits is often not immediate or homogenous; this stage requires monitoring in terms of social equity, economic efficiency, and environmental sustainability. Determining whether a change is successful (or not) is not straightforward; often benefits are long term and may be due to many factors.

#### Box 5: Common pitfalls in implementing change processes

The inability to implement the desired policy or institutional change can result from five typical situations:

- **Symbolic policy change** – this occurs when governments are under pressure to do something (in response to crisis or pressure from exogenous agencies such as foreign donors or lenders) but change is simply not viable at that time. Hurried legislation or planning takes place but with no enthusiasm or capacity for implementation. This could, for example, arise when governments delegate non-mandatory powers to other bodies or when environmental standards are set but no monitoring mechanisms put in place.
- **Inappropriate policy change** – governments in the search for solutions to perceived problems transfer wholesale policy tools or structures that have worked elsewhere but without analysis of how cultural, political and economic conditions or capacity variations will affect the outcomes.
- **Partial reform** – one new policy tool or organizational change is introduced without recognizing that other changes are needed before the new introduction can work properly (private sector involvement without an adequate regulatory system or decentralization without capacity development and appropriate resources are just two common examples).
- **Government failure** – as pointed out in the Comprehensive Assessment of Water Management in Agriculture, it is a paradox that governments are expected to drive reform but they are often most in need of reform; attempts to change the behaviour of others without undertaking government reform are rarely successful.
- **Reform expropriation** – checks are not introduced into the policy change process to stop powerful vested interests (including bureaucracies) from hijacking the reforms for their own advantage. This can often happen when governments delegate (and give discretion) to other bodies to implement new policy objectives.

Sustaining change requires continuous monitoring and learning, understanding the political process, and identifying and confronting barriers.

Policy change is a negotiated process with a high-degree of uncertainty. For this reason, you must be determined, adaptable, and prepared—ready to take advantage of a ‘trigger-type’ opportunity when it comes along.

### Box 6: An overview of frameworks for analysing policy and institutional change

There are several schools of thought on policy reform and change, each based on different analytical frameworks and emphasizing different factors.

- 1. Policy change as politically bargained or negotiated:** The focus here is on the role of interest group politics, power and rent seeking behaviour, with the pace and direction of policy change being determined by vested interests, the creation of interest or influence networks and power balances within the political economy
- 2. The power of discourse, ideas and values:** Whereas the political bargaining school talks about coalitions based on interests (financial or otherwise), the analysts concerned with ideas see the importance of coalitions built around beliefs or discourses and about the way competition between discourses plays out. Who can ‘capture’ or shape the discourse and how best to do so become important issues for those advocating particular policy changes.
- 3. Institutional change as path dependent:** There are those who argue that future directions of change cannot be separated from current institutional states and their histories. From this perspective policy change involves evolution not revolution; it is a slow cumulative process with small shifts gradually allowing further change. It suggests that change cannot be forced, although it may be influenced, catalyzed, guided or enabled.
- 4. The role of shocks, crises and ‘tombstones’:** This type of analysis looks at the role of various types of crises in impelling change.
- 5. Reform by rational design:** The implicit assumption underlying this approach is that it is possible to introduce—usually from the top down—new policy tools, reformed organizational structures, management and administrative improvements, plans, blueprints and more refined assessment techniques that will allow rapid and significant change towards a more ‘rational’ system. The notion of rational policy planning and ‘ideal’, ‘one size fits all’ solutions has been criticized for at least fifty years. However, this approach is still highly influential, as a glance at many consultancy reports on water sector reform will demonstrate.

Something can be learned from each of these schools of thought. Different elements will be more or less influential in a given situation. In some cases, the key may be mobilizing the right group or neutralizing the opposition. In others it may be a catalyzing shock that enables change or it may be the slow process of changing how people think about a particular issue.

Responding to demands from regional partners, the Global Water Partnership (GWP), the International Water Management Institute (IWMI) and the Stockholm International Water Institute (SIWI) have launched an initiative to identify success factors in policy and institutional reform processes and, based on these, to develop practical guidance for those wishing to catalyze positive change in how water is developed, managed and used. This includes policymakers, water and related-sector professionals, NGOs and community organizations.

The policy brief is based on a synthesis of existing literature. The complete bibliography is available at [www.gwptoolbox.org/images/stories/Docs/final%20bibliography%20for%20triggers%20brief.doc](http://www.gwptoolbox.org/images/stories/Docs/final%20bibliography%20for%20triggers%20brief.doc). The brief draws in particular on ‘Water institutional reforms: theory and practice’ by R. Maria Saleth and Ariel Dinar, published in *Water Policy*. It also draws on an initial brainstorming workshop held in Colombo in December 2006 and a special workshop held in Stockholm during World Water Week 2007 that was convened by GWP, IWMI and SIWI.

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