

**Nadi-Lautoka Regional Water Supply Project
Third Party Evaluator
Opinion**

Evaluator: Kaliopate Tavola

This large scale development project with a project cycle spanning a decade has been under the umbrella of different government administrations, both elected and unelected, and two devastating coups that took place whilst Fiji was still recovering from the adversity of two previous coups in the late 1980s. The most recent coup was in 2006 and the military continues to hold power undemocratically.

This context of political instability and the subsequent socio-economic impacts, with adverse consequences on investment, human resources, skills drain and government revenues, has undermined and complicated, decision-making that had a negative influence on the operational efficiency, effectiveness and sustainability of the project.

The implementation period of the project was 27% longer than the planned period and 20.5% more costly than budgeted for. Since the substantial operational changes had to be made that had serious implications on skills requirements, costs and co-funding arrangements, the efficiency of the project inevitably suffered. Needless to say, had the socio-economic and political situations been normal, efficiency would have received a higher rating.

Assessing the effectiveness of the project is somewhat problematic, depending on whether one sees the project in its narrow scope or in its broader context that takes into account long term development outcomes. Both are valid and instructive. The latter, I believe, is more pragmatic and utilitarian.

In a narrow sense, the project outputs comprised, principally, a series of treatment plants and reservoirs. On the basis of the improved outputs and productivity of each of these units, it can be said that effectiveness is high. Such an assessment is also borne out by the marked improvement in the general water supply system in the project areas and by the increased welfare of the beneficiaries especially when compared to the pre-project situation.

However, such a restricted view is blind to the systemic post-project discrepancies from which no project is immune. And this project has such discrepancies as discussed in the ex-post evaluation report, e.g. occasional water outages, irregular water services, substantial water leaks, and the slowness of connections to take advantage of the new system. Such a non-restrictive view,

by virtue of its wider scope and the extent of the criteria it naturally has to employ, would systematically lower the earlier higher ranking in effectiveness.

The dualistic vantage points that evaluators are obliged to take for projects of this nature are noteworthy. Any project that is part and parcel of a bigger system that is already in existence is bound to have different degrees of effectiveness depending on what vantage point one takes. The differentials need to be assessed in the interest of the totality of the project.

The project's sustainability, however, is going to be severely tested. The continuing political instability will reduce government resources needed to guarantee repairs and maintenance and operational efficiency, especially in the current adverse weather conditions resulting in prolonged serious flooding of the project areas. The political context, on the other hand, is already impacting the programmes for the reform of the state-owned enterprises and thus the continuing corporatization of the water department, which may stall unnecessarily.

Be that as it may, the project is most relevant in the context of the development of the country and of the project area, given the latter's contribution to the GDP in tourism, agriculture, forestry and other industries.

15 January 2009